

BUSINESS WEEK

YEAR
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WEEK
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START
OF WAR
1939



The man from Chungking who
does business for China: H. H. Kung.

BUSINESS
WEEK
INDEX

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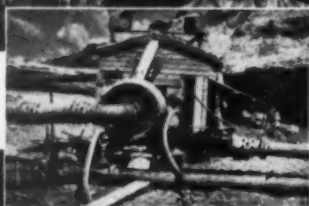
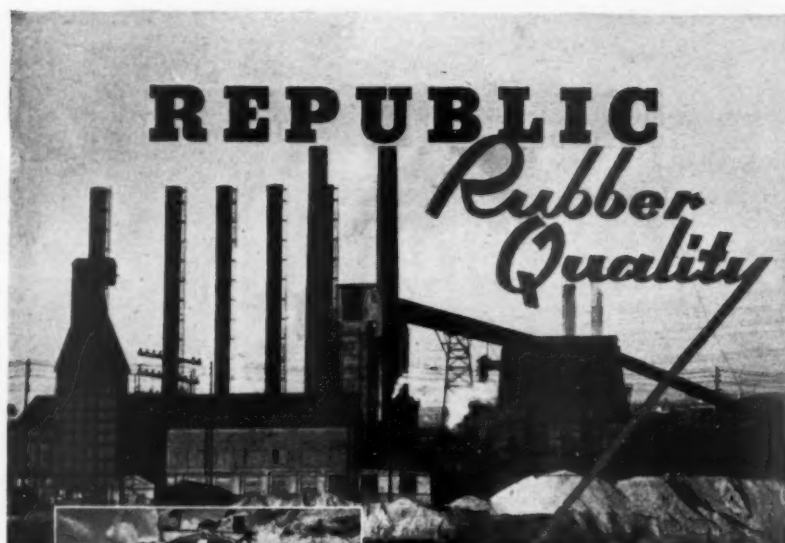
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WASHINGTON BULLETIN

Wage Timetable Upset

It is, at this moment, extremely doubtful that President Roosevelt will throw out the Little Steel wage yardstick before election, as intended.

Nazi tenacity has upset an Administration timetable based on a German collapse.

If Germany isn't visibly collapsing, the White House can't sell an immediate need for cushioning workers against loss in overtime earnings and for putting the nation's wage control structure on a reconversion footing.

Opposition Reinforced

New doubts about the imminence of that collapse have greatly strengthened the arguments of those in the Administration who believe that the anti-inflation line should be held until large-scale reconversion is actually under way.

And Washington has had to remember that a wage concession now might have to be followed by another if and when Germany folded some time from now—thus inviting dangerous inflation.

Chances to Stall

Roosevelt would have no trouble stalling action on a National War Labor Board report until after Nov. 7.

In weighing a decision to do nothing and even to say nothing before then, he will be influenced by a conviction that workers will vote for him anyhow, by the political danger that a pre-election concession will lay him open to a charge of trying to buy a fourth term, and by the equal danger that announcement of a flat intention to hold the line until V-E Day might provoke a labor crisis at the height of his campaign.

WPB Decides Nonnecessity

President Roosevelt has just given WPB full authority over issuing certificates of nonnecessity—the permits that war contractors will need to get a special tax deduction on war production facilities that they built with their own capital but that are no longer needed.

Roosevelt's move not only settles a long wrangle between the procurement agencies—the Army and Navy had been trying for nearly two years to get together on certification procedure (BW—Mar. 11 '44, p. 19)—but also gives WPB a new power that may prove useful during the reconversion period.

The big difficulty was that procurement officers don't want to certify a plant as no longer needed for war production when there is any chance that a further use for it might develop. The executive order breaks this deadlock by directing WPB to issue a certificate whenever it finds "no presently foreseeable substantial need."

No plant is to be declared unnecessary if a shortage of the same sort of facilities exists elsewhere.

Plant Clearance Planned

Defense Plant Corp. thinks that it is making headway in its preparations for removal of government-owned equipment from private plants as soon as war contracts are canceled. With 15 men in the field, DPC is laying out a plant clearance program for each contractor.

In some cases where machinery has become unnecessary, DPC already has had it moved out and stored at government expense. Clearance plans for about 20% to 25% of its contractors

have been completed and put on the shelf for use when the plants finish their war work.

To store materials and serve as sales centers in key areas, DPC and its parent, Reconstruction Finance Corp., are building prefabricated warehouses with floor spaces of 1,000,000 sq. ft. to 1,500,000 sq. ft. For the tighter storage that will be needed for machinery and equipment, DPC expects to use existing war plants that are not readily salable.

Order-Taking Bars Lifted

WPB has taken another step in its preparation for reconversion by announcing that manufacturers may book unrated orders for any product provided they don't fill them until restrictions on production are lifted.

This means that suppliers may start making up lists of orders to be filled after V-E Day and that buyers may put in orders now to get a preferred position.

WPB regulations have never pre-

Marking Time for the Election

What Congress does when it returns Nov. 14 for its lame duck session of six weeks or less will depend almost entirely on the outcome of the presidential election. They are not talking about it, but Republican leaders in Congress plan to block virtually all proposed legislation for the remainder of this Congress if Thomas E. Dewey wins.

● **Pork Will Keep**—The Republicans have their eye particularly on three postwar public works measures which present congressional leaders hope can be completed by the end of the year. These bills are the House-approved rivers and harbors and flood control measures and the Senate federal-aid highway bill.

G.O.P. members feel that such legislation can very well go over until January, when they may be in a position to claim credit for it. A Roosevelt victory, however, would mean a vigorous drive to put the bills through before this Congress dies. Otherwise they must start from scratch in the new Congress.

● **War Powers Extension**—Aside from some deficiency appropriations,

the only apparent "must" bill on the congressional calendar for the short session is a resolution extending the war powers act. This act, a combination of the so-called first and second war powers acts, expires Dec. 31.

President Roosevelt has often been accused of securing almost unlimited powers through these generous grants of authority, but so many necessary war operations of the government today stem from them that it's unlikely that any real attempt will be made to amend them or halt their extension.

In event of a Dewey victory, however, Republicans may seek a short extension so as to permit him to recommend any later changes he desires.

● **Insurance Bill**—Heavy pressure is being brought in the Senate to get final action on the House-approved bill exempting insurance companies from federal antitrust action. Opponents of the measure are doubtful of being able to block its passage, but they feel confident that they can sustain the almost certain presidential veto.

THE SLEEPING GIANT

America's motorcar industry has been at war. When it gets back to making automobiles, a vast new opportunity for engine improvements will be waiting in the improved gasoline that will then be available.



HIGH ON THE LIST of things the average man wants after the war is a new automobile. But John Public looks forward to something more than just a new car—he wants a better car.

It is true that replacements for essential transportation may keep the automobile industry more than busy for quite awhile after the war. During this period revised versions of 1942 models may be all that are available. Once this phase of reconversion is over, there will be the problem of continuously rebuilding and replacing America's

automobile population—and again the problems of “creating” sales and customers in a competitive market. We can look forward to future engineering competition along the lines of the simple, time-honored, American method of making better and better cars.

Refinements in body design, new accessories and greater riding comfort will play their part. But the

most significant progress in motorcar design will depend—in the future, as in the past—upon the development of engines that get more work from each gallon of gasoline.

The basis for such progress already exists. It lies in the development of engines to fully utilize the greatly improved gasoline which the petroleum industry will be in a position to offer the public.

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“Wartime progress by America's petroleum industry has paved the way for fundamental progress in post-war automobile engine design.”

ented manufacturers from keeping in normal lists of orders to be filled first when the controls come off, but the new law allows them to go through the motions of putting the orders on their regular books.

Reconversion Pricing ABC's

Price Administrator Chester Bowles will take the initiative in familiarizing industry with detailed facts (in non-technical language) about OPA's basic policies and problems of reconversion pricing.

Industry advisory committees and trade associations will be Bowles' chief mediums.

OPA is particularly interested in doing the job well among durable goods manufacturers who have been entirely in war work, hence are unfamiliar with OPA policies.

property bill and the reconversion bill this week after branding them as sadly inadequate. Byrnes will serve as interim director of the new OWMR. Surplus Property Disposal will drift along under nominal supervision of William L. Clayton's Surplus War Property Administration, but with the new law hanging over them, present officials won't be able to do anything except wait.

Price Rollback O.K.'d

In one of the most important court decisions affecting price control, the U. S. Emergency Court of Appeals has upheld OPA's right to reduce a maximum price previously established. This gives full legal sanction to OPA's common practice of establishing a "freeze" price as a stopgap, following through later with dollar-and-cents ceilings which usually involve a rollback.

The decision was handed down on the appeal of a New York liquor syndicate, Foster & Co., from an OPA order

reducing the ceiling on Old Mr. Boston Rocking Chair whisky from \$19.24 to \$18.62 a case when a freeze regulation was replaced by dollar-and-cents prices.

Conservation Division to Die

WPB's Conservation Division, headed by Howard Coonley, is scheduled to follow the Redistribution Division out the window.

Chairman J. A. Krug has announced that he will act on Coonley's recommendation and discontinue the division the end of this month. Most of the current standardization and simplification work will be shifted to the U. S. Bureau of Standards.

The Office of Civilian Requirements' Conservation Section (which has handled conservation-simplification-standardization of consumer goods) will keep plugging along.

OPA's Standards Section is being dismembered, parceled out among the various commodity divisions, but this

Job Ban Is Puzzler

Attorney General Francis Biddle has been asked for an opinion on the clause in the new surplus property law forbidding government employees who work on surplus disposal to accept any private job connected with surpluses for two years. The provision is so loosely worded and its prohibitions are so sweeping that government workers are afraid handling surpluses will shut them off from any job with a private company.

The Army and Navy are particularly upset because the law expressly includes commissioned officers in the ban. Strictly interpreted this would hit hundreds of temporary officers who intend to get back into civilian jobs.

As soon as Biddle has given an interpretation, surplus disposal officials will decide whether to ask Congress for a quick change in the law before the end of this session.

To Delay Appointments

President Roosevelt will wait until after election to name a successor to James F. Byrnes as director of the Office of War Mobilization & Reconversion, and to appoint the new Surplus Property Board. Nominations will have to be confirmed by the Senate, which won't get back in session until mid-November. Roosevelt intends to hold off until then so that his appointees won't be hit by pre-election bricks.

Roosevelt signed both the surplus

Spot Authorization Plan Speeds Up

Things are looking up for the spot authorization plan—WPB's device for permitting some reconversion prior to V-E Day by giving regional offices authority to overrule a long list of conservation and limitation orders on a selective basis. The plan got off to a slow start (BW—Sep. 23 '44, p17), but it has picked up speed in the past two weeks.

• **Proposal for Inventories**—The prospect that V-E Day may be a while coming has given impetus to several ideas for broadening the spot authorization program. One is that manufacturers who are not able to get into civilian production immediately be permitted to accumulate inventories of materials—where this is possible without interfering with military needs—thus cutting down their reconversion time when the cutbacks come. An amendment to the Controlled Materials Plan will be necessary before inventory restrictions can be relaxed to this extent.

Another idea for easing spot authorization is to free small plants from red tape where reconversion, or an increase in civilian production, would not result in additions to their labor force. In such cases WPB could lift restrictions automatically without

clearance by local manpower authorities and production urgency committees.

• **May Include Others**—Additional L and M orders probably will be brought under spot authorization in the next few weeks if the program isn't overtaken by the fall of Germany. A proposal to put L-41, the basic construction order, under spot authorization made fast progress, then was set back, now is moving along again.

WPB's most recent tabulation shows a total of 1,506 applications filed under spot authorization. Of these, 263 have been denied (18 because of War Manpower Commission objections). Of 124 approved applications, 41 were in Group I and 41 in Group II labor areas, 30 in Group III and twelve in Group IV areas.

• **Policy Is Revised**—An important factor in the increased activity under spot authorization undoubtedly has been a change in the attitude of the armed forces and the WMC. Military representatives now have instructions not to veto spot authorizations unless they would interfere directly with war production in the immediate area.



"Yashi" Shape 901



The Flavor of Home

The agreeable, pleasant Kaywoodie Flavor that issues from this pipe—like the fine flavors of good things to eat—has to be "just so" and always the same, or you wouldn't like it. The flavor does not change, because each Kaywoodie is cut from the same fine Mediterranean Briar, selected, seasoned and cured just as it was before the war, or 10 years ago, or any time since the origin of our business in 1851. Dry-grown briar, the world's best, seasoned for years, and fashioned with knowledge of how smoke behaves. You can distinguish the aroma in the dark.—If you've been unable to find Kaywoodies lately, it's because of great demand by the Armed Forces. We're sure you'll agree that we must serve our fighters, first! Kaywoodie Company, New York and London. 630 Fifth Avenue, New York 20, N. Y.



**War Bonds
come first**

move may actually strengthen the agency's standards program because, for the first time, standards officials will get authority to review all price orders.

Consumer advisers in the price agency have been assured that OPA will keep an eye on minimum quality specifications, in pricing reconversion goods.

Roosevelt vs. Petrillo

James C. Petrillo of the American Federation of Musicians has successfully stood off the efforts of the Justice Dept., the National War Labor Board, and Economic Stabilization Director Fred M. Vinson to prevail on him to lift the ban on recording music.

This week he referred a personal appeal by President Roosevelt to his executive board for "careful consideration."

The musicians' boss has the Administration on the hip because in this instance the union's noncompliance with NWLB orders cannot be considered as impeding the war effort. The best that the President could do was to argue that noncompliance may encourage other noncompliance which will hamper war production.

Capital Gains (and Losses)

Donald Nelson's role in foreign economic development affairs will unfold gradually. A return trip to China is his next assignment, now that J. A. Krug has received formal appointment as WPB's chairman.

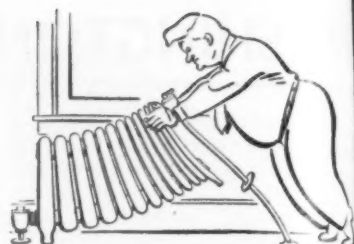
Pressure which the State Dept. put on President Vargas of Brazil to assure the democratic U. S. of plenty of unrationed coffee may force Vargas to adopt some very undemocratic tactics in dealing with Brazilian speculators, who have been holding coffee off the market in an effort to wangle a higher ceiling price out of OPA.

The House Agriculture Committee's long-planned investigation into distribution ills (BW-Sep. 2'44,p8) has been abandoned for the duration because of the "abnormal wartime economic structure."

—Business Week's
Washington Bureau

THE COVER

As China's No. 1 banker and businessman, suave H. H. Kung (K'ung Hsiang-hsi) gives unstinted support to Washington's plans to rescue his nation from economic oblivion (page 115). And perhaps it's no coincidence that the proposals dovetail with a program to industrialize China—formulated long ago by the 83-year-old Minister of Finance.



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With a Webster Moderator System, radiators are "flexible." In coldest weather, the entire radiator is in use and filled with steam. In mild weather, steam delivery to radiators shrinks to the needed quantity. The amount of steam delivered to a radiator depends not on the size of the radiator, but on outside temperature.

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THE OUTLOOK

BUSINESS WEEK
OCTOBER 7, 1944



The facts on war production requirements—and on cutbacks—are gradually clarifying. This is true, even though it may be hard for busy management men to put together the bits and pieces.

You've heard statements, for example, that the Army is going to go right on taking all the heavy trucks it can get, even after Germany falls. Now J. A. Krug, new chairman of WPB, says **the cutbacks will be 72%.**

Similarly, Maritime Commission contends that there will be no cutback in cargo ships on V-E Day. **Top men in WPB figure as much as 50%.**

And the greatly increased schedule for heavy artillery ammunition, Krug reveals, **will drop by no less than 76%** when the Nazis are done.

Caution: Don't shelve reconversion plans unless you know the facts.

Figures drawn up within WPB present a fairly optimistic picture of our economy over the six months after the defeat of Germany.

Total production (the gross national product) will slip only from its present annual rate of \$197 billion to \$185 billion. Nonwar output of goods and services will take up the slack rapidly, rising from 55% of the total now to a 67% relationship.

The change, in dollars rather than percentages, is from \$108 billion of nonwar output to \$124 billion six months after V-E Day.

War production averaged \$5.4 billion a month through August of this year. The schedules called, originally, for a 1944 total of \$72 billion; this has been stepped down to \$70, to \$69, and finally to \$67.3 billion.

Yet, despite the progressive lowering of sights (due to shifts in the program), **war plants would have to average \$6 billion a month, September through December, to meet quotas. This can't be done;** it's like the talk of pulling up 11% from June to October (BW—Sep. 2'44, p9).

Krug says, however, that we shall miss the '44 goal by only 2% to 3%.

Over-all munitions programs are only slightly behind the bogeys. With two-thirds of the year gone, requirements had been 64% met, in the aggregate, and major categories ranged from 59% to 66% complete.

But there were variations within categories: All guns were at 66%, but heavy artillery was only 58%; all aircraft was at 66%, but superbombers were only 42% and the A-26 Invader was at 27%.

Those individual lags within categories can be used to make things sound bad. Actually, they are scare-headline stuff.

The lagging items were, without exception, new programs or those that were suddenly stepped up long after 1944 schedules were drafted. The A-26 Invader is a plane so new, in fact, that most publications would hesitate to say much about it if Krug hadn't done it for them.

The Invader replaces Douglas Aircraft's A-20 (Havoc) on which production has stopped. Douglas has just announced a \$43,000,000 contract.

Wall Street rumor mills, always grinding, continue to turn out all sorts of grist on mergers, plant sales, postwar reorientations.

Many concern motordom, and not a few the Fisher brothers. Detroit observers believe the Fishers' position seems mysterious simply because they told the simple truth—that they fell out with the General Motors management on policy and quit without any definite plan.

Some stories link the Fishers with Ford. Detroit doubts that one, just

THE OUTLOOK (Continued)

BUSINESS WEEK
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as it does most of the Ford rumors except for probable production of aircraft and ambitious plans for farm implement expansion.

Rumors, incidentally, aren't all born in Wall Street these days.

West Coast reports say that U. S. Steel is interested in Henry Kaiser's Fontana project; that du Pont will move some of its operations to Pasco, Wash., after completing its government job there.

And from Kentucky: that Reynolds Metals wants to buy Curtiss-Wright's Louisville plant, while Curtiss-Wright would purchase the Defense Plant Corp. property it operates in Lockland, Ohio. Also that General Electric will buy Ken-Rad Tube & Lamp Co. (Owensboro, Ky.); G. E. has no comment.

There will be credit aplenty to maintain a high level of prosperity after the war. Without going into the banking complexities involved, it is a fact that we could create \$200 billion of bank credit today if Federal Reserve authorities thought it desirable.

And it is very unlikely that business will have to pay high interest in pushing for enlarged production and employment. The current issue of the Guaranty Survey (published by the Guaranty Trust Co. of New York) concurs with this magazine (BW—Jul.29'44,p10) that money will continue easy.

The Guaranty notes that, when federal debt reaches \$250 billion as it will soon, a 1% rise in interest will cost \$2½ billion a year. This and allied factors will keep the federal government on the cheap-money line.

The bank is not even sure that money rates would tighten if the government were to relax the controls. Barring sharp price rises, wartime corporate savings will make up quite a capital pool and those of individuals will add materially to the supply of funds seeking investment.

Savings of individuals since we got into the war now total between \$85 and \$90 billion, as nearly as such things can be measured.

Yet you hear the man in the street ask, "O.K.; where's all the dough?"

The quick answer is, of course, that \$37½ billion has gone into war bonds, and that life insurance and savings banks have received a lot of the rest. But money actually has gone out of sight—and this is not said with any idea of getting into arguments about "hidden" price rises.

Nub of the thing is that debts have been paid. Take the single item of consumer credit. Federal Reserve rules have forced curtailment, and people have had the money to pay off. **From around \$9½ billion late in 1941, the total has fallen to below \$5 billion** (despite a modest rise recently).

People who don't feel normal without monthly instalments to meet will be itching to go right back into debt just as soon as they can see new automobiles and refrigerators and furniture to buy.

Relaxation of Federal Reserve Board rules governing consumer credit will present a delicate problem in timing, even after reconversion starts.

The responsible officials haven't made up their minds (BW—Aug.26'44, p8), can't until they see what is going to happen. If they loosen up too soon on instalments and charge accounts, they may contribute to runaway inflation; if they are too slow, they may cause sales to stagnate.

Both sales and credit managers must watch Washington for an indication of policy. Dealers must be kept informed so that they don't promise easy terms too early or lose sales by being caught asleep.

FIGURES OF THE WEEK

	\$ Latest Week	Preceding Week	Month Ago	6 Months Ago	Year Ago
THE INDEX (see chart below).	*230.5	†230.9	232.9	238.7	239.2

PRODUCTION

Steel Ingot Operations (% of capacity).....	95.6	95.1	†95.1	99.5	100.8
Production of Automobiles and Trucks.....	20,935	20,880	20,055	18,085	21,265
Engineering Const. Awards (Eng. News-Rec. 4-week daily av. in thousands)....	\$4,962	\$5,127	\$7,187	\$5,237	\$8,491
Electric Power Output (million kilowatt-hours).....	4,366	4,377	4,415	4,409	4,359
Crude Oil (daily average, 1,000 bbl.).....	4,762	4,744	4,658	4,383	4,328
Bituminous Coal (daily average, 1,000 tons).....	1,975	†1,933	2,012	1,979	2,030

TRADE

Miscellaneous and L.C.L. Carloadings (daily average, 1,000 cars).....	86	86	86	80	84
All Other Carloadings (daily average, 1,000 cars).....	63	63	65	50	67
Money in Circulation (Wednesday series, millions).....	\$23,658	\$23,558	\$23,221	\$21,037	\$18,818
Department Store Sales (change from same week of preceding year).....	+9%	+9%	+18%	+17%	+2%
Business Failures (Dun & Bradstreet, number).....	15	24	14	21	42

PRICES (Average for the week)

Spot Commodity Index (Moody's, Dec. 31, 1931 = 100).....	253.5	251.8	249.9	250.1	247.9
Industrial Raw Materials (U. S. Bureau of Labor Statistics, Aug., 1939 = 100)...	165.9	165.7	165.3	163.1	160.7
Domestic Farm Products (U. S. Bureau of Labor Statistics, Aug., 1939 = 100)...	224.4	223.5	223.4	221.9	217.0
‡Finished Steel Composite (Steel, ton).....	\$56.73	\$56.73	\$56.73	\$56.73	\$56.73
‡Scrap Steel Composite (Iron Age, ton).....	\$16.08	\$17.00	\$18.84	\$19.17	\$19.17
‡Copper (electrolytic, Connecticut Valley, lb.).....	12.000¢	12.000¢	12.000¢	12.000¢	12.000¢
‡Wheat (No. 2, hard winter, Kansas City, bu.).....	\$1.60	\$1.55	\$1.51	\$1.64	\$1.48
‡Sugar (raw, delivered New York, lb.).....	3.74¢	3.74¢	3.74¢	3.74¢	3.74¢
Cotton (middling, ten designated markets, lb.).....	21.80¢	21.47¢	21.33¢	21.07¢	20.46¢
‡Wool Tops (New York, lb.).....	\$1.333	\$1.323	\$1.330	\$1.319	\$1.368
‡Rubber (ribbed smoked sheets, New York, lb.).....	22.50¢	22.50¢	22.50¢	22.50¢	22.50¢

FINANCE

90 Stocks, Price Index (Standard & Poor's Corp.).....	101.5	100.8	101.1	95.3	95.4
Medium Grade Corporate Bond Yield (30 Baa issues, Moody's).....	3.56%	3.56%	3.56%	3.70%	3.83%
High Grade Corporate Bond Yield (30 Aaa issues, Moody's).....	2.72%	2.72%	2.71%	2.74%	2.70%
Call Loans Renewal Rate, N. Y. Stock Exchange (daily average).....	1.00%	1.00%	1.00%	1.00%	1.00%
Prime Commercial Paper, 4-to-6 months, N. Y. City (prevailing rate).....	‡%	‡%	‡%	‡-‡%	‡-‡%

BANKING (Millions of dollars)

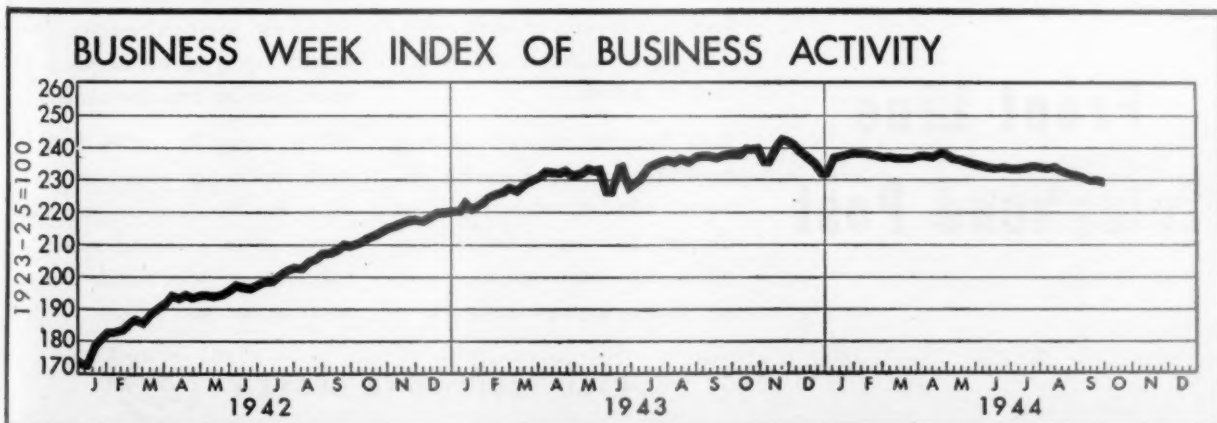
Demand Deposits Adjusted, reporting member banks.....	35,435	35,522	35,097	32,660	30,613
Total Loans and Investments, reporting member banks.....	54,673	54,766	55,700	52,012	50,998
Commercial and Agricultural Loans, reporting member banks.....	6,076	6,055	5,984	6,305	6,207
Securities Loans, reporting member banks.....	2,480	2,452	2,648	2,362	2,993
U. S. Gov't and Gov't Guaranteed Obligations Held, reporting member banks..	40,731	40,860	41,675	38,087	36,210
Other Securities Held, reporting member banks.....	2,962	2,960	2,960	2,907	2,986
Excess Reserves, all member banks (Wednesday series).....	900	900	900	630	1,810
Total Federal Reserve Credit Outstanding (Wednesday series).....	16,943	17,237	16,167	12,749	9,543

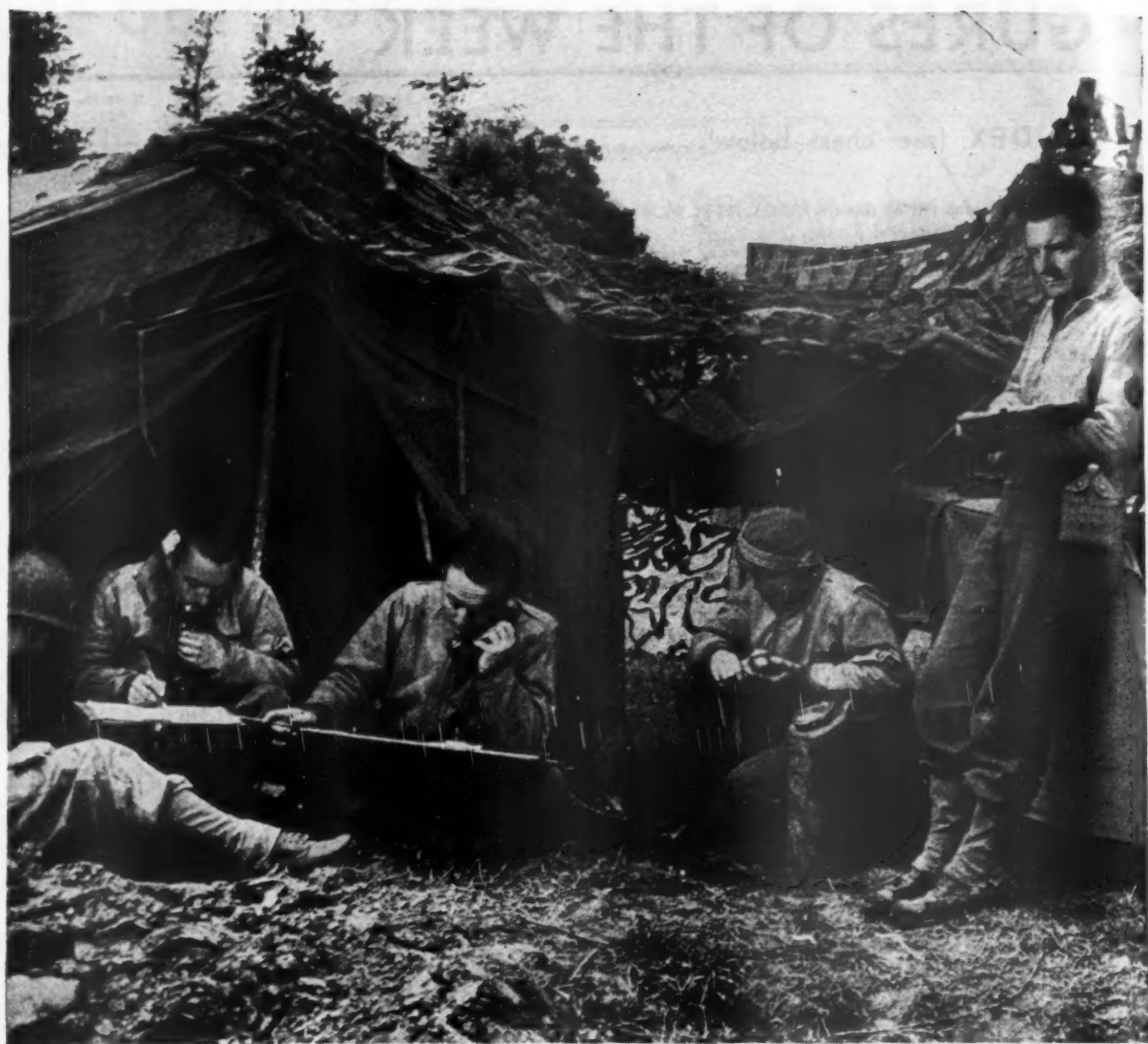
*Preliminary, week ended September 30th.

‡ Ceiling fixed by government.

† Revised.

§ Date for "Latest Week" on each series on request.





Camouflaged Communications Center of American Command Post during heavy fighting

Front Line Telephone Post

TELEPHONE lines are lifelines wherever our men fight. The lines lengthen with every mile of advance.

Bell System manufacturing facilities have had to be devoted almost exclusively to keeping the armed forces supplied with communication and electronic equipment. As a

result, we are short of telephones, switchboards and other equipment needed to meet civilian requirements.

We're sorry if you've had to wait for home telephone service. But you can be sure that every effort is being made to take care of your needs just as soon as the war allows.

BELL TELEPHONE SYSTEM



OUR SOLDIERS TELEPHONE OVER HERE, TOO. . . . Whenever you can, please give the service men and women first chance at Long Distance between 7 and 10 each night. They'll appreciate it a lot.

Coast Poised for Pacific War

Ship and rail transport are confident of meeting the acid test if they can get the manpower. Factories are troubled by fear that eastern competitors will get reconversion start.

From Seattle to San Pedro, the Pacific Coast is ready, willing, and waiting for the final big push against Japan when Germany has been subdued. Docks and harbors are crowded. Railroads, already doing a magnificent job, have plans ready for the final complete swing to the war in the Pacific.

• **Manpower Is Critical**—A specter which haunts waterfront employers and railroads is manpower. This is critical, but chances are that when V-E Day comes there will be a return of some trained workers to these two important industries.

Another worry on the Coast is that victory in Europe, as it shifts military emphasis to the West, will give eastern manufacturers a head start on reconversion and first crack at civilian markets. This fear, however, has not influenced preparation for the push against Japan.

• **Short 75 Gangs**—The San Francisco Bay area, the largest funneling port for supplies to fighting men in the Pacific theater, is short 70 to 75 gangs of longshoremen daily (a gang averages approximately 17 men). This has been the case for a long time (BW-Jul.22'44,p96).

Back in 1942, the 28 surviving ports on the Pacific Coast (several lumber ports have dried up since the start

of the war) employed between 12,000 and 13,000 longshoremen. Now the demand calls for 15,000, and it is growing.

With longshoremen called into the San Francisco Bay area from the abandoned ports and recruited elsewhere, the region now tries to furnish 7,500 waterfront huskies daily. This isn't easy to do. All must work overtime. A recent four-week average credited each worker with 222 hours, close to 60 a week.

• **War Shipping Dominates**—Just how completely the Pacific Coast waterfronts are devoted to the Pacific war again is best illustrated by the distribution of longshore gangs in the San Francisco area. Recently, on one day shift, 60 gangs were employed on ships of the Army Transport Service, 42 for the Navy, 20 for lend-lease, 31 for the War Shipping Administration, and two for commercial vessels.

The bay area needs 2,000 more workers before its many ship berths along San Francisco's Embarcadero, Oakland's piers, and other docks are overcrowded.

Once V-E Day comes and lend-lease shipments to Russia diminish, many piers in the Pacific Northwest will be free. They now are being used not only

for shipments but also for ship repair. On one day, 32 ships flying the hammer and sickle were berthed for loading or repairs in one northwest harbor.

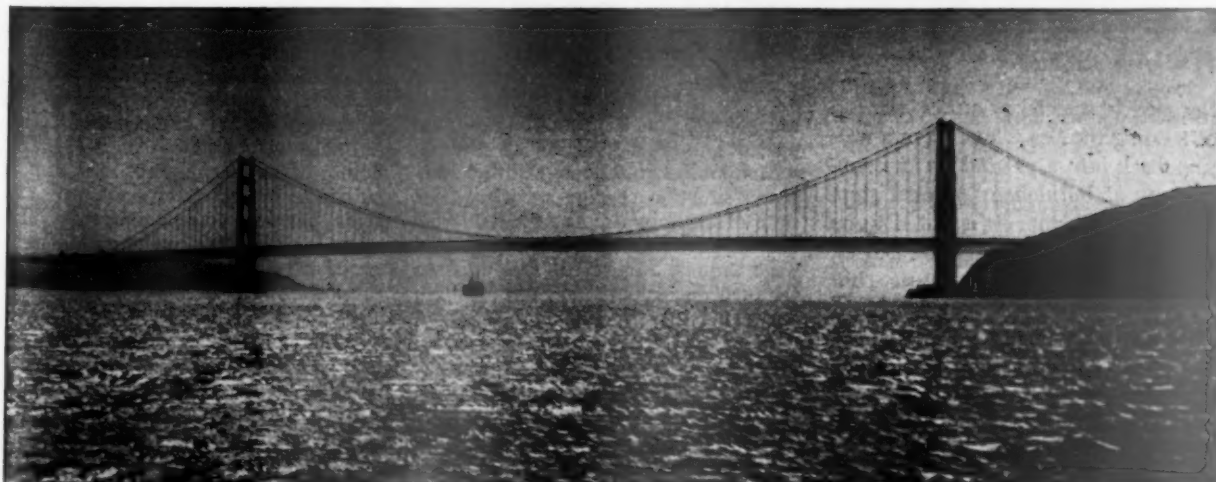
• **Never at Capacity**—The San Pedro-Wilmington port, which includes the Los Angeles area, thus far has never been taxed to capacity. One estimate puts its use at 35%, with the Army in control.

Pacific Coast shipping men have known for a long time that once the campaign against Japan reaches its height, West Coast ports won't be able to handle all the traffic, and many shipments will go from New Orleans via the Panama Canal, and from New York and Baltimore via the Suez Canal (BW-Apr.1'44,p10).

• **Rails Are Ready**—Railroads which must carry war supplies through the Rocky Mountains over seven single tracks also are ready (BW-Sep.23'44, p42). The paper work has been done and the official figure for what the rails must expect is nearly 25% more tonnage.

A good barometer, perhaps, of what already is going on in rail shipments to the West Coast is the fourth-quarter estimate of the Pacific Coast Transportation Advisory Board. In the last three months of this year, 18,040 more freight cars will be loaded in the territory than in the last quarter of 1943. This is an increase of 3.6%, or about 200 cars daily, to an aggregate of 511,886 cars. October is regarded as the peak freight traffic month.

Just what the rails can do also depends on manpower. With hundreds of



Gateway to Pacific victory is San Francisco's Golden Gate through which funnels much of the military supplies for

Allied forces preparing for the grand finale which will ring down the curtain on the Japanese theater of war.

green train crews, boxcars often are "lost" for many days. Unlike the shipping industry, railroads have not enjoyed draft deferments for their workers.

• **No Secret**—While mention of most government installations for war are taboo for security reasons, the Navy has never hesitated to reveal the extent of many of its new projects on the Pacific Coast. It is estimated that for facilities alone in central and northern California the Navy has spent or allocated \$350,000,000. Right now the San Francisco Bay region probably is the greatest naval supply establishment in the world.

In the Pacific Northwest, a 14,000-ton drydock is scheduled to be completed this month, and a second has just been ordered by the Maritime Commission for the Navy at an estimated cost of \$2,279,000. Both will be used to repair ships.

In the Portland (Ore.) area, two Kaiser shipyards are working seven days a week to complete a rush order of

attack transports for the Japanese war.

• **Cutback Talk Discouraged**—Navy administrators on the West Coast discourage talk of cutbacks and unemployment there as the inevitable aftermath of V-E Day. This type of thinking, they say, overlooks the magnitude of the job which will then remain to be done in the Pacific.

The officers declare that the accelerated pace of the war against Japan will so increase the supply requirements as to minimize the possibility of reduced industrial activity on the Coast. Shipbuilding is expected to continue at full capacity until next summer, even if full manpower complements are achieved. Mare Island Navy Yard alone will need 8,000 additional workers by the end of the year, and another 4,000 when the full weight of the naval machine is thrown at Japan.

In San Francisco last week to discuss the logistics of the Pacific war with Navy officers, Secretary James V. Forrestal accented a difference between this campaign and that in Europe. For the European war, supplies were shipped to England and assembled there; for action in the Pacific, material must be assembled on the Coast and dispatched with personnel in assault ships. This means more assault ships.

• **Orders Pile Up**—Northern and southern California continue to get huge war orders in anticipation of the push against Japan, but plane factories and shipyards also continue to show a decrease in employment, indicating that many war workers are returning to their old homes (BW—Sep. 23'44, p. 38).

New war contracts totaling \$397,294,208 were approved for assignment to southern California plants in August. It was the largest single month's award since the war began. Aircraft accounted for a major part of the total, with contracts aggregating \$291,452,852. Next largest share was for ship construction totaling \$92,243,607.

WPB reports that the San Francisco Bay area in July showed the greatest increase in cumulative totals of major war contracts in California. They were up 3.6% to \$3,305,922,000 to date.

• **Manpower Pool Drops**—Still the manpower situation continues critical. The state of California reports that in August aircraft plants employed 175,900 wage earners, a decrease of 5,300 from the preceding month, and of 67,100, or 28%, from August, 1943. Shipyards (excluding government yards) lost 3,800 production workers from July to August, bringing the industrial force down to 230,700, compared with 282,200 a year ago. The production force in shipbuilding in August, 1944, was the smallest since November, 1942.

While only too willing to remain in



STORM CENTER

Henri Morin de Linclays (above) endeavors to weather an increasing political gale which is loosening his control of the French Line. U.S. director of the steamship company since 1933, he challenges his "ouster" by the de Gaulle regime's shipping and transport mission, which asserts that the line's affairs "will now be administered according to the wishes of the French government." De Linclays' defiant stand is apparently founded on economic quicksand. Officials of the mission—with consent of the State Dept.—recently set up shop in New York and a switch in shipping business from the old office to the new is reported.

war production until Japan surrenders, West Coast industrialists at the same time would like a little more concrete assurance that they won't lose prewar markets to eastern manufacturers when V-E Day comes (BW—Aug. 26'44, p. 19). Some whose plants are idle due to cutbacks on aircraft, ordnance, and signal parts are complaining that WPB won't let them manufacture domestic goods. They're told to hang on until the Pacific war works up full steam.

Another complaint is that if they do get the go-ahead, they are forced to move to a less critical manpower area. The Kinney Aluminum Co., Los Angeles, received permission to resume manufacture of aluminum pots and pans, but must establish a new plant 90 mi. away at Santa Barbara, where manpower demand is less acute.



FOR A MISSION?

Speeded by special priorities, the job of turning the Sea Cloud from a warship back into a palatial yacht is under way at Bethlehem Atlantic shipyards, East Boston. It is slated to be restored to its owner, Joseph E. Davies, former ambassador to Russia, but the Navy, reportedly pushing the work, fails to explain its hurry. Washington observers are guessing that the craft will be steered into diplomatic channels. Revamped in 1942 to serve as a patrol ship, the yacht is undergoing structural changes, including restoration of its four masts (above).

Tool Ban Stays

Priority ratings on orders for machines needed in shift to civilian production are denied by WPB's chairman.

WPB Chairman J. A. Krug spiked one of the brightest hopes of reconversion planners this week when he turned down a request from the automobile industry for priority ratings on current orders for machine tools that will be needed for peacetime production.

This decision hits not only the automobile manufacturers but also other industries that hoped to apply for ratings once the precedent had been set. **• Demands Grow**—The demand for priority assistance has been growing steadily ever since manufacturers first tried to take advantage of WPB's decision to permit current unrated orders for reconversion machine tools.

The authorization and its companion piece, the order permitting work on experimental models, have aroused interest among businessmen, but so far, haven't produced much in the way of results.

The trouble, as manufacturers have discovered, is that machine-tool makers still are loaded with war work. The industry's backlog of unfilled orders totals around \$195,000,000 at present. Deliveries are about \$35,000,000 a month, and new orders have been coming in at the rate of \$40,000,000 a month or better.

• Rule Amended—Many machine-tool shops took on other war work a year or so ago when the demand for tools began to slacken. When orders hit a second peak as a result of shifts in the war program (BW—May 20 '44, p16), toolmakers found their hands full. To top it off, manpower authorities have refused labor priorities.

WPB has made two amendments in its rule covering orders for reconversion tools, but neither affects the ratings situation. The original rule—priorities regulation 24—required manufacturers to get permission to place orders for civilian machine tools, and toolmakers had to get permission to fill them. Later WPB ruled that approval of the manufacturer's request would be enough. Last week, it decided to permit installation of tools bought under approved procedure.

• 216 Applications—Up to Sept. 15, WPB had received 216 applications to place orders for machine tools to be used in civilian production. It had granted 128, denied three, and had the

rest in the works. High scorers among the regional offices (which process the requests) were Detroit with 37 requests granted, Chicago with 20, and Cleveland with 17. The automotive industry also has given WPB a list of 300 types of tools, mostly special purpose tools, that it must have before it can get back into partial civilian production (page 18).

Typical of the requests filed are Republic Steel's order for \$270,000 worth of nut machines and for \$103,000 in welding equipment; White Sewing Machine Co., for woodworking equipment valued at \$100,000; and Universal Wire Spring Co. for \$27,000 in general tools and \$80,000 in wire forming machines.

• Deliveries Are Small—WPB officials estimate that the orders approved so far come to about \$60,000,000, but deliveries are only a trickle. While a few machine-tool builders have extra capac-

ity in spite of the industry's big backlog, manpower and materials troubles have kept them from taking on much additional work.

Experts think that unless military orders are cut back soon, machine-tool builders won't get around to unrated orders before the first quarter of 1945.

• Few "Model" Requests—Priority applications under the experimental model order have been few in comparison with the requests for machine tools, but most officials aren't surprised. The order permits a manufacturer to make a model of any peacetime article, without prior approval, unless the project costs more than \$5,000 a month in a single plant.

Officials think the experimentation was widespread, if on a fairly small scale, even before the order took effect last July. Many companies had used the appeals procedure to get permission,



GENERAL STAFF

Taking their demand for wage control revisions where they think it will do the most good, labor leaders visit the White House for a session with the President—whose executive order made the Little Steel formula a blanket policy. Grouped about Mrs. Anna Rosenberg, War Manpower Commission's New York regional director, the visitors—all members of the President's "labor cabinet"—are (left to right, lower): Philip Murray, C.I.O.; William Green, A.F.L.; Daniel Tobin, A.F.L. teamsters' chief;

(upper) Julius Emspak, C.I.O. electrical workers; R. J. Thomas, C.I.O. auto workers; and George Meany, A.F.L. secretary-treasurer. And although the conversations centered about wages, reconversion, and demobilization, the committee reported it had neither asked for nor received any commitments. Having heard both sides—labor and employer—on the wage issue, the National War Labor Board sits next week in executive session to sift evidence before submitting its report to President Roosevelt—in whose hands rests the final decision (BW—Sep. 30 '44, p17).

and others were going ahead anyhow. **•String on Experiments**—Through Sept. 15, WPB had received only 19 requests to approve experimental work. At that time, it had granted six and had the rest under consideration. Since then, the Detroit office has approved three requests from the automotive industry—with a number of strings attached.

Ford, Chrysler, General Motors' Fisher Body Division, and Nash have been given permission to spend up to \$25,000 a month on experimental models. The biggest restriction is that work must be confined to correcting trouble spots in 1942 models.

PRICE INJUNCTION LIFTED

Bellwether of the large retail chains and mail-order houses charged by OPA with violating the highest price line limitation of MPR-330 is W. T. Grant Co. (BW—Sep. 25'43, p92).

This week the retailers scored a major victory when the U. S. District Court in New York vacated a temporary injunction which OPA had obtained against Grant, and it was generally believed that the decision will affect the price agency's case against J. C. Penney Co., J. J. Newberry Co., and McCrory Stores, against which similar temporary injunctions had been granted. The court disagreed with OPA's claim that Grant had "wilfully and flagrantly" violated the regulation, and held that OPA's other charges were too vague to warrant a permanent injunction.

Congress abolished the highest price line regulation of MPR-330 last June (BW—Jul. 1'44, p15), but past offenders are, of course, still liable for violation.

Help for Detroit

Auto industry suggests preferential treatment to ease reconversion. Aid on machine tools, surpluses is sought.

The auto industry is asking Washington for a preferential status in reconversion.

This idea was developed and voiced last week by Charles E. Wilson, president of General Motors, at a press conference with visiting newspapermen from Washington, New York, and Chicago, who went to Detroit to see firsthand the problems of reconversion.

•Cites Importance—Wilson pointed out that the prewar employment total of 761,000 workers in the auto industry made the status of the passenger car plants in change-over of pressing importance to the nation's economies.

At plants and in the conference the auto people took the view that the extent of change-over problems could not be clearly determined yet.

•Helps Are Suggested—Nevertheless, some insisted, certain moves could be made now:

(1) Over-all determination could be made of policies governing clearance of government-owned machinery and equipment from private plants.

(2) Effective priorities could be granted for output of bottleneck machine tools, which would rate them immediately behind military orders (page 17).

(3) Directives could be removed to clear the way for small tool shops to

work on jigs, fixtures, and tools needed to resume auto production.

•Atmosphere Changes—Automotive officials, however, had no bill of particulars as to how this could be done. There was an apparent feeling that the call for the conference had been made when the end of the European war looked only days away. By the time the meeting convened, however, the western front deadlock at the Siegfried line made criticism of reconversion delay less popular.

Meanwhile, the industry had its ups and downs on the reconversion road as September closed.

•Manpower Troubles—Hard on the heels of permissions for G. M., Ford, Chrysler, and Nash to put limited numbers of men to work on change-over detailing (BW—Sep. 16'44, p21), Selective Service put a foot down. The Army Air Forces district manpower office at Detroit ruled that any transfers to civilian work in plants employing 22-to-26-year-old technicians would result in the canceling of as many deferment requests as there were men transferred, thus exposing the young men to the draft.

More favorable news came from Buffalo, where pricing and procedure directives from the Surplus War Property Administration began to trickle down to district military and civil offices, loosening the machine tool jam.

•Sales Delayed—Although price schedules had long since been announced, auto companies claimed they were unable to make purchases, because the services in whose custody the tools were held had not yet received authorization.

The log jam broke at Buffalo, when Defense Plant Corp. sold 789 tools to General Motors' Chevrolet division for \$2,379,000, representing 61% of cost to the government. This was reported to be the first sale to an automotive industry plant under the price formula set up by William Clayton, SWPA chief.

•Ford's Outlook—Widespread reports that Ford might have a considerable advantage in the reconversion race were buttressed this week by the boast of Ford production men that they could do the job in half the time it may take some of the other big companies. Ford has the advantage of having a fully integrated plant and thus can speed up tools, dies, and fixtures; also Ford's aircraft production has been handled in new buildings, not in its auto plants.

Postwar use of Ford's Willow Run plant for manufacture of tractors and farm implements—long the subject of Detroit gossip—is now believed definitely settled. Both Henry Ford and his grandson, Henry Ford II, were quoted this week to the effect that the big aircraft plant may be converted to this purpose.



While Detroit prays for solid advance reconversion planning, Packard Motor Car Co. presents evidence that any scheme will take plenty of time. Its

exhibit A is its stored mass of machine tools and dies which must be reinstalled on production lines long before the first automobile rolls off.

Fisher Bros., Inc.

Body-building brothers
buzz in Detroit by getting
aware charter to make autos,
planes, and parts. They're mum.

design or accident—Detroit isn't
into manufacturing in their own
is no secret. But which direction
aspirations will take has been a
subject of lively discussion since their
departure from G.M.

New Corporations—Two months
after their mass withdrawal from the
administrative affairs of General
Motors Corp. (BW—Aug. 12'44, p64),
the brothers Fisher touched off a burst
of speculation by revealing that they
were incorporated as Fisher Bros., Inc.,
as Fisher Motor Car Co.

That they have some aspirations to
go into manufacturing in their own
name is no secret. But which direction
their aspirations will take has been a
subject of lively discussion since their
departure from G.M.

Hence the auto industry pounced on
the information, disclosed with the fil-
ing of articles of incorporation at the
state capital in Lansing, Mich., that
the purpose of both of the new Fisher
concerns is to make and sell autos,
planes, and other vehicles and their
component parts.

Blind Trail—Beyond that, every in-
quiry led to a blind alley, or to the
Fisher brothers themselves—which was
the same thing, for with evident amuse-
ment they insisted that they have no
plans worth discussing.

The new corporate charters were ob-
tained in Wilmington, Del., by agents
of the Corporation Trust Co., New
York City, which specializes in such
things. Automotive executives puzzled
long and intently over the identity of
the principal officers named in the
charters, finally to discover that they
were employees of Corporation Trust.

There was even a ripple of interest
in the fact that the charters listed the
headquarters of the new companies
as 120 Broadway, New York City. This
turned out to be the address of Cor-
poration Trust Co.

To Pre-empt Names—The simplest
explanation, one which sources close
to the Fisher brothers advanced but
which the motor capital found hard to
swallow, was that the corporations were
formed to pre-empt the names lest they
be used by somebody else.

Detroit's skepticism deepened when
it became known that the two concerns
had applied for permission to do busi-
ness in Michigan and in Oregon as
foreign corporations. Filing in Michi-
gan was logical enough, but the appli-



CAUGHT SHORT

Attempting to stock up before this
week's 25% boost in the point-price
of butter, New Yorkers re-enact
scenes reminiscent of early wartime
food shortages. Now costing 20 red

points a pound and growing increas-
ingly scarce (BW—Sep. 9'44, p42), but-
ter isn't likely to attract any more
such lines this year. Even Washing-
ton's suspension of its monthly set-
aside order (BW—Sep. 30'44, p86)
won't increase the winter supply.

cation in Oregon dragged a herring
across the trail.

● **Kaiser Link Debated**—With no more
evidence to back it up than that Henry
J. Kaiser also maintains offices in De-
troit and Oregon and that he has con-
fessed mild interest in a low-price
postwar car, speculation turned to the
possibility of a Kaiser-Fisher tie-up.

More than anything else, this be-
trayed the despair of the motor city in
groping for an explanation of the Ore-
gon development.

As it happened, Oregon rejected one
of the applications because there is al-
ready a firm doing business in that
state as Fisher Bros., Inc.; Fisher coun-
sel in Portland plans to file under an-
other name. The hint of Kaiser ties is
discounted in Portland, where it is
understood that the Fishers plan to file
business declarations in other states,
too.

● **Amicability Doubted**—At least the
incorporation steps of the Fisher
brothers have served to refocus atten-
tion on the state of their relations with
G.M. when they parted company. De-
troit is coming to believe less and less
the mutual expression of affection given
voice at that time.

If the Fishers retired voluntarily,
they probably would have had their
plans for the future well enough devel-
oped so that by now they would no
longer be represented as in doubt.

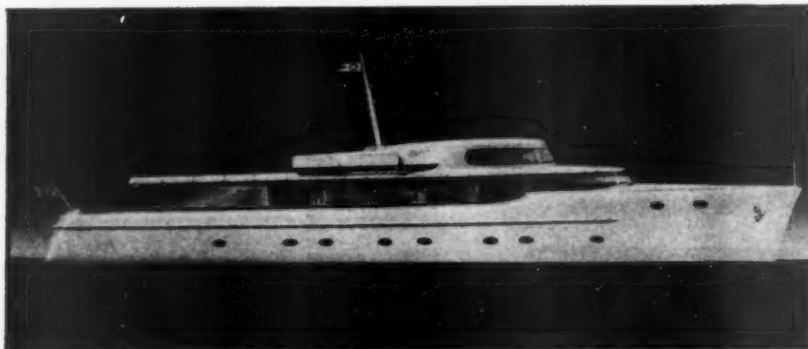
● **Quit in a Huff?**—The Fishers and cer-
tain others on the G.M. board personi-

fied what might be termed the manu-
facturing viewpoint as opposed to
another group identified more closely
with the financial aspects of the com-
pany. The story, still unconfirmed, is
that these two groups disagreed over
plant locations and other postwar plan-
ning policies to the extent that the
Fishers finally withdrew from their ex-
ecutive positions.

If disagreement of such intensity
existed, it would practically eliminate
the possibility, vaguely reported, that
the Fishers might get into the auto
business by exchanging their G.M.
stockholdings for one of the G.M.
manufacturing divisions (Oldsmobile
was mentioned). The possibility is a
remote one anyhow, for G.M. policy
now is not to dispose of any of its ve-
hicle manufacturing divisions. As one
source close to G.M. management ex-
pressed it, the Fishers aren't likely to
acquire any G.M. properties "except
buildings with bats in the deserted
caves."

● **Other Moves Discounted**—Stories
also have persisted that the brothers
would take over some other company.
Ford was mentioned, but it seems
doubtful that the Ford family would
allow control of its empire to pass into
other hands.

Independent companies are ruled out
by some analysts on the grounds that
acquisition of stock control might cost
more than the building of a new enter-
prise from the ground up.



LUXURY AFLOAT

On the postwar planning boards at Ingalls Shipbuilding Corp. is an all-steel streamlined yacht which will be the last word in luxury afloat. Specifications for the trim craft to be built at Decatur, Ala., call for two 200-hp.

diesel engines and virtually every modern convenience that can possibly be packed into its 90-ft. length and 21-ft. beam. Air conditioning, ship-to-shore telephone, television, and individual bathrooms are among its proposed features making for luxurious living. Price remains to be announced.

Implements Freed

WFA lifts the controls from all farm equipment distribution and rationing except corn pickers. Production quotas remain.

All farm machinery and equipment except corn pickers was suddenly removed from distribution control (factory to dealer) and rationing (dealer to farmer) by a War Food Administration decree last week. Whether the motivation was political or administrative is anyone's guess.

Not all of this year's corn pickers have been completed and sold, and there is still time for the last few to trickle out to the consumer. Northeastern states farmers, hard-pressed for harvest hands, are given credit by insiders for WFA's decision to continue rationing corn pickers. Their spokesmen held out for this, lest Corn Belt farmers closer to the source get the machines.

• **Production Not Affected**—Elation at removal of WFA controls (BW—May 27 '44, p16) sprang up in some farm communities, presumably because farmers misconstrued its effects. Rural glee will expire when farmers realize that Washington merely lifted its hands off the movement of machinery from factory to farms. Now buyers will have to scurry around to find what they need in hands willing to sell to them.

Not a single machine was added by the WFA order to the number available for sale. Production limitations imposed and enforced upon manufacturers by

WPB under L-237, schedule B, and by manpower limitations of the War Manpower Commission, remain precisely as before last week's order. The factories continue to make just as many units as their quotas permit—subject to shortages of critical components and manpower.

• **Water Over the Dam**—No jubilation was noticeable among either manufacturers or dealers. Manufacturers laid out their distribution patterns by states and counties at the beginning of this sales season, and obtained official approval for such of their plans as were subject to official review.

As winter nears, their factories and distributors have practically no unsold machinery in stock which they could divert from their original government-approved destinations.

The distribution pattern as originally laid out by each manufacturer was presumably the fairest that his sales department could contrive. Hence manufacturers would now hardly want to shift them.

Conceivably, however, any manufacturer (outside the few with national distribution for full-line equipment) might use his newly acquired freedom to grab a larger share of the business in juicy markets by diverting machines previously placed in inactive sales areas under WFA regulations.

• **Who Has to Say No**—Implement dealers greeted the shift in control with mixed sentiments. They are glad they can sell a tractor to an old customer without having to help him fight his application for a purchase certificate past the county rationing board. But they are less happy that they can no longer pass the buck to the board for

refusing a farmer a machine. Also, anticipate endless explaining to labor-customers that Whoozis Corp. will get no more implements now, it would have received had rationing continued.

• **Regulation Backfired**—By no means farm machinery and equipment have been WFA-controlled this season. In the 1943 season, Washington started out to regulate everything down to the last dotted i. Bureaucrats found themselves hopelessly entangled in red tape and deafened by farmers' roars of protest at ensuing delays.

Two major faults in the system caused its abandonment. Requiring manufacturers to tag at the factory according to Dept. of Agriculture orders the control to which each individual machine was shipped was slow and inelastic. Forcing farmers to apply for anything short of repair parts snowed county rationing boards under.

• **Lesson Learned**—For 1944, less rigid controls were set up. Products were divided into three schedules. The most crucial was regulated rather rigidly. Less critical items came under more relaxed controls, and simple tools were subject to only general guidance. This plan suited practically everyone but the farmer whose county board failed to look eye to eye with him.

The \$64 question remained unanswered early this week: Are farmers holding outstanding certificates for purchase of machinery formerly rationed but with no binding deal closed, entitled to preference from dealers under the new order?

Price Power Used

Army and Navy crack down on Lord Mfg. Co. after quarrel over renegotiation is taken to court. Big profits are cited.

Army and Navy procurement officers have just made first use of their little-known but extensive repricing power under the 1943 revenue act. In a joint order, the two services have scaled down prices of all products turned out for their use, either directly or on subcontract, by the Lord Mfg. Co., Erie, Pa.

• **Business Spirals**—The repricing order is the latest step in a long quarrel between the company and the services over prices of rubber engine and instrument mounts.

The services contend that Lord jumped from a peacetime business grossing \$238,000 a year to a 1943 gross of \$29,000,000 which yielded a profit before taxes of \$12,000,000. Attempts at

ed to

● **Bankhead Started It**—When that storm broke about his official cars, Jones

The net of the deal is that farmers will get an average of 85 points more than recent market prices for their 1944 crop, and the trade will have an operat-



aviation field, the jet ship's complete necessary on the instrument panels to

194

senger liner. In fact, a vibrator is necessary on the instrument panels to keep delicate needles functioning properly by eliminating "stickiness."

ing margin of 40 to 50 points between buying and selling prices. Many persons in the trade say, however, that such a margin is insufficient to permit adequate trading hedges in cotton.

• **Carryover Boosted Too**—Besides boosting the price of 1944 cotton by some \$48,875,000, the value of all cotton still in existence from previous crops (some 10,000,000 bales) was also hiked \$42,500,000 above recent market values. The CCC itself owns more than 2,000,000 bales of this carryover cotton, and holds about 3,500,000 additional bales as collateral on loans it has made to producers.

The Bankhead-Jones price boost has other implications, impinging on the Office of Price Administration price ceilings for textiles. These ceilings (including manufacturing margins which are considered necessary in the business of transforming raw cotton into textiles) are supposed to reflect parity to producers.

• **Squeeze Would Result**—The textile ceilings are so finely built that an appreciable rise above parity in raw cotton would squeeze manufacturers and result in a demand for higher ceilings. To prevent this, WFA had agreed in April, 1943, to toss CCC cotton on the market when prices reached parity.

In August, 1944, the ante was upped to 102% of parity. In exchange, OPA had agreed to put no ceiling on raw cot-

ton below the CCC selling price. No one really expected (in view of a cotton supply far in excess of domestic requirements) that cotton would go to parity (BW—Sep. 2'44, p5).

OPA officials say they weren't consulted on the Jones announcement, and they look askance at CCC selling prices which range from 27 to 52 points above parity. They say that the move releases them from their promise to put no ceiling on raw cotton.

• **Loan Rates Increased**—Enactment of the stabilization extension act last July put the cotton industry on notice that a move was on to boost raw cotton to parity. Besides directing the President to reflect parity to producers of cotton and other agricultural commodities, the act provided for loans to cotton growers at 92½% of parity.

This was followed by a 95% cotton loan rate in the war surplus property disposal act. Actually, this means 97½% when applied to 15/16-inch middling cotton. CCC's new buying prices put the return to producers at better than 99% of parity.

• **Fear Full Parity**—Officials of both WFA and OPA are fearful that Bankhead will continue to insist upon—and ultimately win—full parity for cotton growers. In this event, either the textile ceilings must be raised or the government pay the difference in additional price subsidies.

WPB Loosens U

Agency revokes controls on alarm clocks and bicycles concentration-of-industry policy is cast aside.

WPB isn't waiting until V-E to clear out the rank undergrowth of minor orders which, officials now expect, have proved more irritating than useful in the months since the United States got over the hump in war production.

Two such orders, which have been set aside (effective Oct. 31), are the which concentrated production of alarm clocks and bicycles in a few plants, freeing the rest of the industry for war work. Pooled distribution of unbranded war model alarm clocks and rationing bicycles (also unbranded) have been disposed of, too.

• **End of Concentration**—WPB has thrown overboard the last formal vestiges of "concentration of industry," the scheme that was once hailed as one of the most efficient means of stepping up war production (BW—Jul. 25, p15).

Previously, WPB had tried to concentrate the farm machinery industry. Concentration of the stove industry had generally unsatisfactory results (BW—May 27'44, p21) and has now been abandoned.

• **Output Was Spread Thin**—Originally alarm clock production was concentrated in two companies—the W. B. Gilbert Clock Corp. of Winsted, Conn. and Westclox Co. of La Salle, Ill. Both had to spread their output thin to take care of other companies' customers as well as their own.

During the first quarter of this year the two companies produced about 1,000,000 spring-wound alarm clocks. By the third quarter, total production had risen to about 1,260,000. Some 12% of these were electric clocks, made chiefly by Warren-Telechron Co., which came back into limited production during the third quarter.

Prewar production of both electric and spring-wound alarms is estimated at about 12,500,000 a year.

• **Increase Is Expected**—Fourth-quarter production is expected to rise to about 1,750,000 clocks of both types. In the first quarter of 1945, WPB thinks output will climb to 2,500,000. Both Gilbert and Warren-Telechron have leased extra facilities in loose labor areas—Gilbert in Laconia, N. H., Warren-Telechron in Worcester, Mass. With restrictions removed, other companies are expected to follow their example, lease

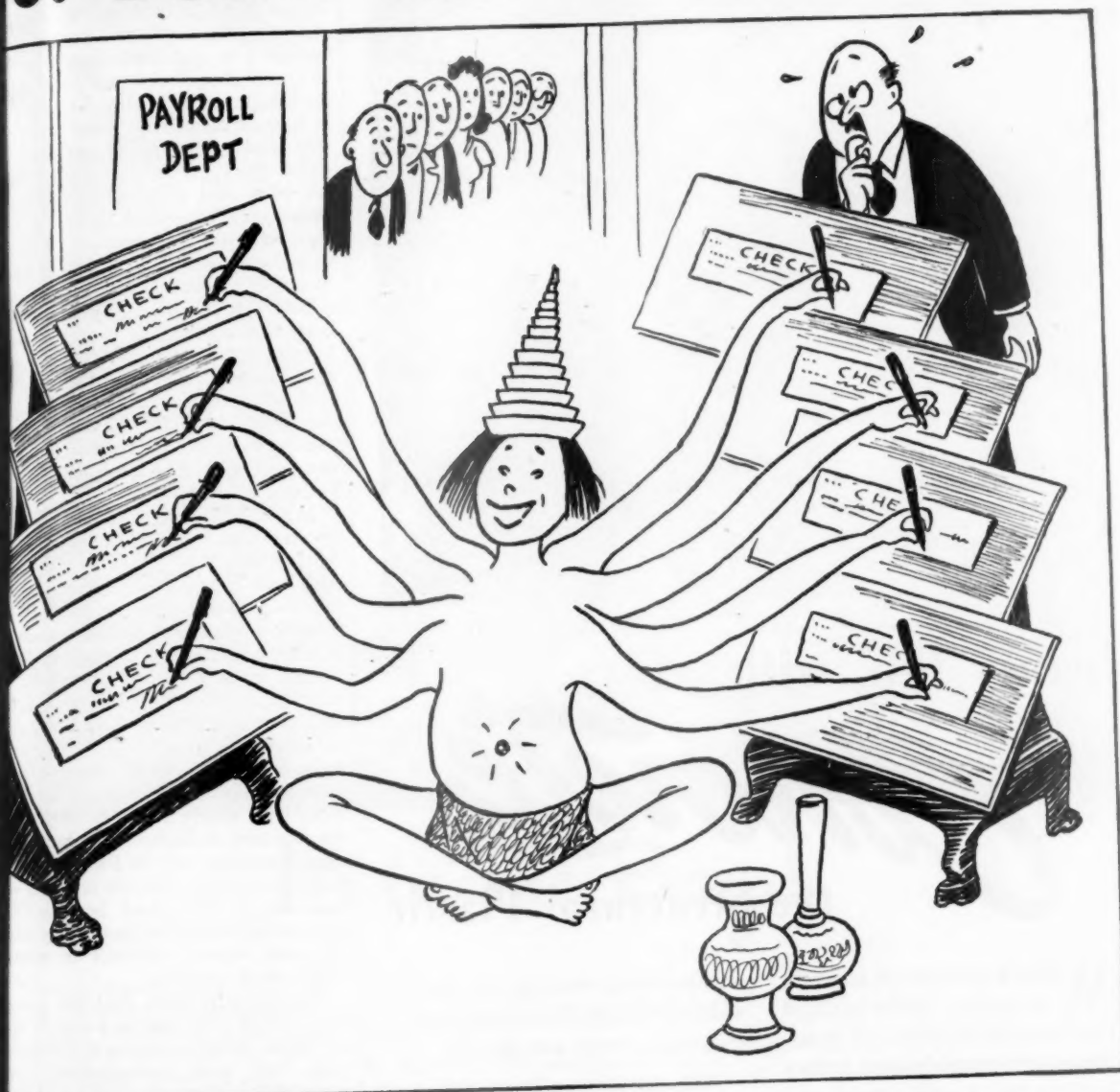


RIDING HIGH

One of 20 buses recently shipped to Dallas, Tex., demonstrates a new method of stowing heavy vehicles in freight cars—to prevent damage to wheel bearings in transit. Blocked up

on wooden trestles, the machine rides independently of the car's sideway which puts adverse strain on front and rear spindles. This novel wrinkle kills the bearing "bugs" that developed in buses formerly shipped with all four wheels chocked to the floor.

0. DON'T TRY IT THIS WAY!



iva, the Indian god with octopus arms, would be a little disconcerting to have around all day. Besides, writing checks and making out the payroll can be done with much less fuss!

If you want a payroll method that will —

Cut down the cost per check

Cut down the time it takes to write checks and get them to your employees

Cut down on record keeping — and help solve your manpower problem —

Simply call your nearest Comptometer Co. representative and ask for details on the Comptometer Check-

and-Payroll Plan. There's no charge . . . and he'll be happy to explain this quick and efficient method. The Comptometer, made only by Felt & Tarrant Manufacturing Company, 1733 North Paulina Street, Chicago 22, Illinois, is sold exclusively by the Comptometer Co.

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In the hands of skilled architects, engineers and contractors, concrete is the most versatile construction material. It builds the largest dams or low-cost cottages, towering skyscrapers or small farm structures. It will play

a major role in building a nationwide network of low maintenance cost expressways and airports.

With all these advantages—strength, durability, firesafety and beauty, **concrete also gives you low annual cost—the true measure of building economy.**

May we help your engineers and architects apply the advantages of concrete to your plans for future construction?

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War Bonds*

PORTLAND CEMENT ASSOCIATION

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A national organization to improve and extend the uses of concrete . . . through scientific research and engineering field work

ing facilities in other areas if they haven't sufficient labor in their own plants.

With pooling and curbs on the use of brand names set aside, WPB believes that manufacturers will have a strong incentive to get back into production fast, and since clocks are a badly needed civilian item, this is all right with WPB as long as there is no interference with war work. If anybody can make an alarm clock, WPB can find material for him, and since most war material restrictions have now been removed, manufacturers are expected to be able to make clocks on which they are willing to put their brand names.

• **Below Quotas**—Bicycle production has been concentrated in two companies: Westfield Mfg. Co., Westfield, Mass., and Huffman Mfg. Co., Dayton, Ohio—which have been authorized to produce a total of 10,000 bicycles a month, though they seldom reached this level because they had to sandwich this work in between war jobs.

Westfield's and Huffman's production has been occasionally supplemented by the output of other manufacturers who have been let in on appeal, generally to assemble parts on hand. WPB doesn't expect any headlong rush to reconvert by the rest of the industry as long as manufacture of juvenile bikes—which accounted for 85% of unit sales—and most of the gravy before the war is banned.

• **Demand Is Slack**—Rationing is being abandoned because the stockpile of new bikes with which the U. S. entered the war has now dwindled away, but it is merely another case of there not being enough to ration. Bicycle rationing was continuously liberalized because OPA apparently found that demand by essential users wasn't sufficient to warrant really strict controls.

The industry fears that the average U. S. adult still regards a bicycle as a toy rather than as a means of transportation, but some manufacturers hope that soldiers who come back from Europe will have discovered that a bike is a good way of getting around.

"LITTLE TOWNSEND" PLAN

On the Oregon ballot for consideration by voters in November is a "Little Townsend" old-age pension measure. Both business and union groups oppose the plan, terming it a "sales tax multiplier." Oregon already has a state income tax.

The bill would levy a tax of from 3% to 5% on gross incomes of every person, firm, association, copartnership or corporation resident of or doing business in the state. The measure would become a part of the state constitution.



It's in The Bag!

The war in Europe may be over by the time this advertisement appears in print. And if Herr Hitler shortly loses his shirt, it won't be entirely because of our planes, tanks, ships and guns. He can also credit America's fighting textile industry for much of his woe.

For next to food, nothing stiffens a fighting man's morale more than a smart uniform, a snug bed or a clean pair of socks. Till foxholes come with bunks and parachutes are equipped with motors, Johnny Doughboy will find his faith on a G.I. slicker or a nylon "umbrella" — and on the industry that has performed such miracles as —

Nearly doubling our textile production in three short years.

Supplying our fighting forces, and those of our allies, with mountains of everything from pup tents to camouflage nets.

Creating such wonders as water-tight canteens which chill drinking water un-

der sizzling tropic sun. Developing fabrics that defy fire, weather and lethal gases.

4. Meeting the demands of the armed forces, and still keeping the civilian front supplied—without any rationing — in spite of the most drastic manpower shortage any industry ever faced.

The crowning touch to this superlative record is the fact that it was made largely with pre-war machinery and equipment! This hard-pressed

equipment has included countless thousands of Jenkins Valves which have had to do double duty in war on top of protracted service in peace. The way these veteran valves have helped the textile industry master a critical equipment problem is proof aplenty that "It Pays To Standardize on Jenkins" for every flow control job you'd like to forget for a long time!

Jenkins Bros., 80 White Street,
New York 13; Bridgeport; Atlanta;
Boston; Philadelphia; Chicago.
Jenkins Bros., Ltd., Montreal;
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SINCE 1864

For every industrial, engineering, marine and plumbing-heating service... in Bronze, Iron, Cast Steel and Corrosion-Resisting Alloys... 125 to 600 lbs. pressure.

Sold Through Reliable Industrial Distributors Everywhere

WE • • • • • America's largest and oldest established manufacturer of Watchclock Systems for checking the activities of watchmen—now engaged in vital war work—yet well past the blueprint stage of a plan that encompasses broad postwar development.

YOU • • • • • Possibly you are an established selling organization or a progressive individual seeking a solid postwar alliance as an Exclusive Distributor. You already contact—or will be in a position to contact large and small industrial plants, factories, warehouses, banks, institutions, office buildings, etc. Opportunities for the sale of our products are practically limitless.

US • • • • • Logically, we ought to get to know one another, as certain important territories are now open. Won't you take the first step and write us all about yourself? It may well prove a momentous step for both of us.

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WATCHMENS CLOCKS
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**TIME OUT
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GAZING**

INGENUITY

DESPITE all the crystal gazing, post-war products must be within the limits of consumer acceptance. We know those limits as they apply to anything in metal. Questions from contemporary executives are always welcome when they relate to product or parts design whether for production in your plant or ours. Write me on your letterhead.

Joseph J. Cheney, President

*Also glad to send our book, *Ingenuity*.

Spriesck EST. 1923
TOOL & MANUFACTURING CO., Inc.
19 HOWARD ST. AD NO. 35 BUFFALO 6, N. Y.

and prohibit the passage of a sales tax. The tax, providing a levy on every transaction through which a commodity would pass, would discriminate against Oregon-made products, its opponents argue.

Pension proponents say the plan will provide a fund sufficient for a minimum monthly annuity of \$60 to Oregonians aged 60 or older.

Pipeline to Coast

New 10-in. line to be laid from Montana to Seattle draws criticism of California oil men in the tanker trade.

Plans of the North Pacific Pipe Line Co., Billings, Mont., to lay a 10-in., \$15,000,000 oil pipeline from central Montana to Seattle, Wash., have touched off a debate.

• **New Industry Seen**—Seattle is enthusiastic. Under the wartime oil pinch, home owners and industrial establish-

ments have been urged repeatedly the federal government to convert the fuel oil burners to coal.

Now they have visions not only of plentiful supply for heating purposes but also of a refinery at nearby Renton and possibly a synthetic rubber plant. The Seattle Chamber of Commerce has offered full assistance to the promoters. • **Limited Market**—On the pessimistic side are West Coast oil producers and shippers. They argue that the Seattle market isn't large enough to justify the 1,110 mi. of pipeline involved in the project (it is 927 land miles from San Francisco to Seattle).

Daily consumption in the state of Washington in 1942, according to the U. S. Bureau of Mines, was: gasoline 28,956 bbl.; fuel oil, 31,455 bbl.; other oils, 12,611 bbl.

• **Refinery Capacity**—Initial capacity of the projected refinery, to be built at Renton by a separate Washington corporation at a cost of about \$5,000,000 will be 35,000 bbl. daily. A 100-acre storage farm of 980,000-bbl. capacity also is planned at the Renton site.

Subject to a final go-ahead from the

Postwar Commitments

Postwar planning is fast coming down to earth in the shape of solid commitments. Here are typical examples, in action or definitely scheduled for action on the date that materials and manpower become available:

Baltimore, Md.—National Gypsum Co. will build on a 15-acre waterfront site in the Canton section a plant for the manufacture of its wallboard, plaster, and gypsum products. Reported cost, \$4,000,000. As part of the program the Port Development Commission has approved erection of a \$1,000,000 pier to be paid for by the company through a long-term rental contract.

Cleveland, Ohio—Burdett Oxygen Co., Inc., supplier of gases for welding and cutting equipment, has added industrial safety devices to its line by purchase of American Industrial Safety Equipment Co. of Brooklyn, N. Y. Manufacturing operations will be continued in Brooklyn; executive direction will go to Cleveland.

Detroit, Mich.—Clayton & Lambert Mfg. Co., producer of metal automotive stampings, announces plans to enter the household refrigerator field with a new gas-fueled refrigerator. Is now studying production sites in Ohio, West Virginia, Kentucky, and Indiana.

Eau Claire, Wis.—National Pres-

sure Cooker Co. has purchased property for postwar development of a plant to manufacture a new two-cylinder, 42-lb., 6-hp. all-aluminum outboard engine.

Hammond, Ind.—Swift & Co. has announced plans to build a laboratory and pilot plant to serve as headquarters for its 17 plant food factories.

Knoxville, Tenn.—Snapvent Co., now making military aircraft parts, plans postwar production of civilian aircraft parts and Flexcraft gift specialties.

Middleboro, Tenn.—Tri-State Furniture Co. has bought the former Bell Lumber Co. property for use in a postwar plan to sell prefabricated homes in Kentucky, Tennessee, and Virginia.

South Boston, Va.—Carter Fabrics Co. has drawn plans for a 50% enlargement of its rayon plant.

St. Louis, Mo.—American Can Co. will buy for can manufacture the naval ordnance plant (torpedoes) now being operated by its subsidiary Amertorp Corp.

St. Paul, Minn.—American Can Co. will build a \$6,500,000 manufacturing plant on a 49-acre site near the Minnesota state fair grounds. It will employ about 1,000, more than double the number working at present St. Paul plant which it will replace.

government, construction of the pipeline is scheduled to begin in January. The line will originate at Harlowtown, Mont., just east of the Rocky Mountains, and travel west through Missoula and Spokane to Renton, following pretty much the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific R.R.

• **California's Market**—Seattle gets most of its oil now by tanker from California, although a little Montana-Wyoming oil trickles in by rail, and occasionally, in prewar days, a tramp tanker put in at Puget Sound with a cargo of oil from Texas.

In comparison with big oil-producing states, Montana and Wyoming haven't cut much of a figure. Through 1943, cumulative production figures show: Texas (since 1896), 8,215,758,808 bbl.; California (since 1876), 6,370,626,125 bbl.; Wyoming (since 1894), 591,107,986 bbl.; Montana (since 1916), 107,489,156 bbl. At the end of 1943, Texas had 37,831 flowing wells, California had 1,698, Wyoming 186, and Montana 8.

• **Competition for Tankers**—What annoys the California oil men, of course, is the competition which the new line will offer the tanker trade. Without citing any figures, they argue that tanker shipments are cheaper in the long run and that vast fleets of tankers will be available when the war ends.

PULLMAN POOL OPPOSED

Pullman, Inc., this week went through the formality of filing with the U. S. District Court at Philadelphia its plan to sell its sleeper service to a railroad-owned pool to be called the Railway-Pullman Sleeping Car Co. But Pullman, Inc., made it perfectly clear to the court that its proposal had not met with whole-hearted approval of the railroads (BW—Sep. 30'44, p. 24).

Pullman informed the court that Pennsylvania Railroad has said that it preferred to own and operate its sleeping car service.

Acknowledging that other railroads may have the same idea, Pullman said in its petition to the court that the desire of some railroads to operate the sleeping cars individually, or to form regional pools, need not affect formation of a less-than-all-inclusive pool. Lengthy court hearings, at which all interested parties will probably have an opportunity to tell their stories, are in prospect before a final settlement is effected.

Pullman, as the result of an adverse antitrust decision (BW—May 13'44, p. 26), must divorce its sleeping car business (Pullman Co.) from its car manufacturing activities (Pullman-Standard Mfg. Co.).

NOW—ICE CREAM PLANTS AND CREAMERIES

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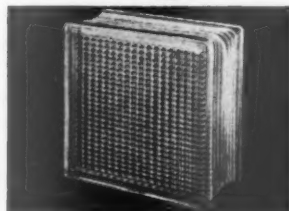
GO MODERN
INSTALL
INSULUX
GLASS BLOCK



GOLDENROD ICE CREAM COMPANY, DETROIT, MICHIGAN

SAVE 5 WAYS

- 1 **SAVE FUEL**—Better insulation means less fuel loss.
- 2 **SAVE UPKEEP CHARGES**—Easy to clean—and to keep clean. No painting required.
- 3 **SAVE MAN HOURS**—Better light control insures better working conditions.
- 4 **SAVE SPOILAGE LOSSES**—No infiltration of dust or dirt.
- 5 **SAVE REPLACEMENT COSTS**—Panels of Insulux do not rot, rust or corrode.



Insulux Glass Block is a functional building material—not merely a decoration. It is designed to do certain things that other building materials can not do. Investigate!

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INSULUX
GLASS BLOCK

DAIRIES have a definite problem of maintaining ultra-sanitary conditions. That's why so many of them are replacing worn-out or faulty windows with modern panels of Insulux Glass Block.

Masonry construction of Insulux panels makes them airtight—eliminates the possibility of dust and dirt infiltration.

Panels of Insulux provide ample light and full use of floor space. They are easy to clean—and to keep clean. They do not rot, rust or corrode—and they never need painting.

Investigate! There's a place in every building for Insulux.

MAIL COUPON FOR FREE BOOKLET
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Gentlemen, Please send, without obligation, your book entitled, "Methods of Replacing Worn-Out Windows with INSULUX Glass Block."

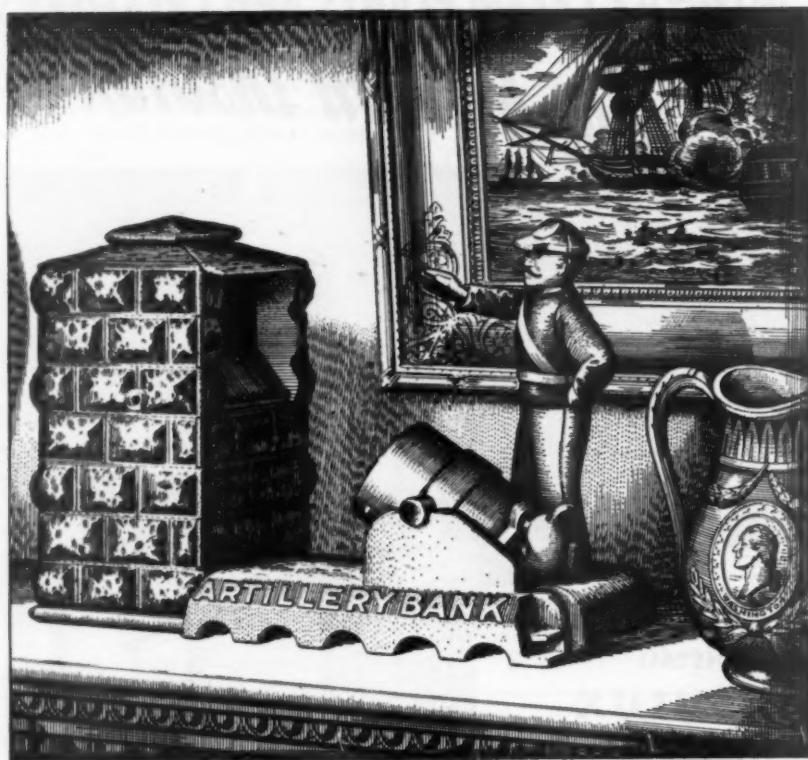
Name and Title _____

Firm Name _____

Address _____

City _____ State _____





Historic coin bank from an old New England collection

BANK OF OUR FOREFATHERS

The early colonial was a stickler for thrift! Saving was made a game and banks like the one pictured here were a conspicuous part of every household. Ingeniously constructed they were, too, for they were made so that once the money was inside you could not take it out unless you broke the bank . . . and woe betide the one committing such a sin.

Thrift is playing its same important role in today's war and the pennies, dimes, and dollars of true Americans are shaping and powering mighty dreadnoughts, miracle Fortresses of the air and an endless stream of other Victory-making war material. Our country is dotted with hard-hitting production plants . . . monuments to the savings of each of us who, day after day, is helping to make America a better, a happier, and a safer place in which to live . . . savings that finance the war . . . with War Bonds.

War Bonds keep our Boys on the march . . . to Victory. Save for them. Start a family War Bond game in your home. Pool your pennies, nickels, dimes and dollars just as our forefathers did back in Revolutionary days. Set aside a specified time each week or month to turn this saved-up money into fighting War Bonds. Then, when the rainbow of Peace beautifies America's horizon, those dream things of tomorrow can be yours . . . they can be paid for with the War Bonds you buy today.

*A War Bond Message Designed and Contributed by
Buell Engineering Company, Inc., New York*

buell
DUST RECOVERY
SYSTEMS

Paperboard Up

Production figures show slight gain, but decrease in orders doesn't present a true picture of dormant demand.

Paperboard production, with raw material flowing in from the summer's big wastepaper collection and pulpwood production drives, rose somewhat for the week of Sept. 23.

• **Right on the Trend**—Unfilled orders of paperboard mills went sharply downward compared with the preceding week, and new orders showed a small decrease. (Industry statisticians point out that week-to-week fluctuations do not necessarily indicate a long-time trend, but in this instance the shift is right on the trend.)

The increase in output and the shrinkages in order statistics were even more pronounced as between the week of Sept. 23 and the corresponding week a year ago.

• **Trade Group Reports**—The weekly figures, as supplied by the National Paperboard Assn., in tons are:

	Sept. 23, 1944	Sept. 16, 1944	Sept. 23, 1943
Production . . .	161,114	158,178	151,725
New orders . . .	125,258	129,481	144,100
Unfilled orders	486,818	525,730	558,633

The peak of unfilled tonnage on order—655,700 tons—was reached on Mar. 11, 1944, since then has been drifting downward. To outsiders, this trend toward a decrease in bookings and backlogs substantially sharper than the increase in output might seem to indicate a reduction in demand for paperboard. Actually, it means that the war essentiality of paperboard is so great that Washington has taken almost complete control over its distribution as well as its use.

• **Not a True Picture**—WPB restrictions on paperboard mills, paperboard converters, and paperboard product users are so strict that the industry statistics bear no recognizable relationship to what they would be in a free economy. What throws everything out of focus is that it is not possible for the statistics to show the dormant demand for paperboard products, the unmeasured but immense bulk of orders which for one reason or another cannot be registered on the mills' books.

Everywhere along the line restraint exists in the distribution and use of paperboard. The sole open end is that mills are urged to produce as much as they can. In the week ended Sept. 23, the industry achieved 96% of 144-hr. weekly capacity. Theoretically, it should



Boogie-Woogie? Not for Trudie!

HOLD YOUR HORSES, Mother! Don't clamp a damper on Trudie now. You wouldn't mind her playing a waltz, would you?

Maybe you never knew that Johann Strauss got his "come-uppance" for daring to compose the first of his famous waltzes. Minuet-minded Viennese called it "Shocking! Completely lacking in dignity!"

Yet a waltz seems kind of conservative today, doesn't it?

Of course it does! But new ideas are always frowned on before they're accepted for what they're worth.

Take "The Comics" for example.

They're acknowledged today as a basic educational force. The Army Air Force uses the "picture story" technique to train aviators. Teachers find it invaluable as a teaching aid in grammar schools...while in Sunday Schools across the country, children are learning a better understanding of the Bible through stories in pictures. And, to quote a recent Fortune Magazine poll—"Four out of five persons who buy newspapers read comic strips."

* No wonder 48 leading manufacturers

advertise in Puck-The Comic Weekly, the majority of them consistently, year after year.

These firms *proved* Puck's worth. They have found what tremendous sales power there is in getting their advertising "next to" a picture story starring such popular and beloved American personalities as "Skippy," "Jiggs and Maggie," "Prince Valiant," "Little Annie Rooney" and all the others who "live" in Puck's pages.

No less than 20,000,000 people read Puck every week. Distributed through 15 great Sunday newspapers, Puck is "family reading" in over 6,500,000 homes.

In the post-war period, Puck will be even more important, because to millions it's been an "oasis of fun" in a war-torn world, a publication peculiarly close to the hearts and the minds of the American people.

For more information about how this publication can help sell your company's name or product, just call or write Puck-The Comic Weekly, 959 Eighth Avenue, New York 19, N. Y., or Hearst Building, Chicago 6, Ill.

The Advertisers

Following are the names of the manufacturers whose advertising has appeared in Puck during the last year. The majority have run consistent schedules—year after year

Bauer & Black Ltd.
Bendix Aviation Corporation
Walter J. Black, Inc.
Bristol-Myers Company
Chesebrough Mfg. Co. Consolidated
Chrysler Corporation
The Coca-Cola Company
Colgate-Palmolive-Peet Company
Corning Glass Works
The Cudahy Packing Co.
Devoe & Reynolds Co., Inc.
Doubleday, Doran & Co., Inc.
Doughnut Corp. of America
Eversharp, Inc.
Frank H. Flier Corp.
F. W. Fitch Company
General Electric Co.
General Mills, Inc.
A. C. Gilbert Co.
Gillette Safety Razor Co.
The Grove Laboratories, Inc.
Geo. A. Hormel & Company
International Cellucotton Products Co.
The Andrew Jergens Company
"The 'Junket' Folks"
(Chr. Hansen's Laboratory, Inc.)
Lambert Pharmacal Company
Lamont, Corliss & Company
Thomas Leeming & Co., Inc.
Lever Brothers Company
The Lionel Corporation
Maybelline Company
The Mennen Company
Pepsi-Cola Company
The Pepsodent Co.
Pillsbury Flour Mills Co.
Procter & Gamble Co.
The Quaker Oats Co.
Ralston Purina Co.
R. J. Reynolds Tobacco Co.
W. A. Sheaffer Pen Co.
Standard Brands, Inc.
Swift & Company
Twentieth Century Fox Film Corp.
Unicorn Press
U. S. Army Recruiting Service
Von Camp's, Inc.
Wilson Chemical Co., Inc.
William H. Wise & Co., Inc.

be possible to exceed 100% of capacity, but not since the first quarter of 1942 has performance touched that theoretical par.

• **Inventories Limited**—All container boards are under strict allocation. WPB limitation orders control production of paperboard containers as well as the inventories of both the raw material and the finished boxes all the way up and down the line.

Boxmakers would like to have more paperboard on hand to guard against contingencies—but they are not allowed to, because the material is so important to the war that it must be kept flowing to where it will actually be put into use in the transportation of goods. Box users would like to have more containers on hand, but their inventories are restricted.

• **Decisions Avoided**—Board and container manufacturers say that they have no way of gaging the volume of business they could book if they were allowed to take all that offered. Like most industries that are sorely beset with demand far outstripping supply, they are just as well satisfied to let the war agencies decide where their product will do the most good—thus avoiding the necessity of making choices between customers themselves.

Chicago Slugs Out

Telephone company decides to trust patrons using public pay stations. For many years special slugs were required.

Chicagoans have been relieved of the long-standing annoyance of being mistrusted in a telephone booth. For years, Chicago has been the only major American city where most public pay stations required the use of special slugs, instead of nickels, to be sure there was no cheating while telephoning.

• **Coin Slots Substituted**—Willing to gamble that Chicagoans today are honest, the Illinois Bell Telephone Co. took the initiative in abolishing the multi-designed slugs. The company last week completed the job of removing from 13,636 pay telephones the attachments for the specially cut discs. Coin slots were substituted, and nickels now may be used.

The oath-provoking slugs were foisted on the nickel-a-call telephone user about 35 years ago as the result of coin box telephones used in homes. (There are 210,528 coin box telephones in service

today in the homes of Chicago citizens who prefer this way of keeping a check on their calls.) Many home telephone users kept a supply of metal discs that would work in the coin box. The telephone company raised no objection since its collectors would receive cash from the householders for the used discs.

• **Invented Slug Device**—It wasn't long, however, before these slugs were jangling into the public pay telephones, and proprietors of business places had to reimburse the telephone company. To protect themselves, druggists, storekeepers, and others put homemade apparatus on the telephones for special slugs which were sold for a nickel apiece. One druggist, the late Henry Goetz, founded the Goetz Telephone Slug Service to manufacture the discs. His son, O. H. Goetz, is preparing to fold up the business now that the slugs are no longer needed.

Chicago visitors, puzzled and irritated by the complicated system, became slug-happy if they wanted to make a long-distance call.

The telephone company's efforts to discontinue the practice made little headway as long as proprietors had to make good illegitimate slugs. Then, recently, in a new plan to substitute coins



ALASKAN SHORTCUT

A comparatively new twelve-mile branch of the Alaska R.R. is destined for a leading role in the northern territory's postwar boom (BW—Nov. 20'43, p18). Built by military and civilian engineers since Pearl Harbor, the short line connects the Army's huge war-developed port on ice-free Prince William Sound with the railroad's

main line at Portage. Over this single-track route military supplies now roll from the Whittier classification yards (right) into Alaska's interior—with a saving of 52 miles and from 8% to 30% in freight costs. More important, militarily, it cuts off the time-consuming tortuous Portage-Seward route which is often snowbound and which for a time was threatened by Japan's invasion of the Aleutians.



Now equipped with modern diesel locomotives (left), produced jointly by General Electric and American Locomotive Co., the branch is carrying a combination freight-passenger train each way daily—operated by Army troops. Although the line took almost two years to build, and required some 18,000 ft. of tunnels, the Alaska R.R. management estimates that it will pay for itself in about ten years.



Giving Barnacles the Brush-Off...

Brushing barnacles from the hull of an ocean-going vessel is no easy job. Today it's tougher than ever. Every 24 hours, more than 85 ships are dry-docked, scraped, brushed, painted, and sent on their way. That calls for fast working!

Several score men armed with scrapers, wire scrub brushes, and rotary wire brushes, swarm over a single hull—clean off every barnacle—every spot of rust and corrosion. *And how they do bear down on those brushes. For speed is the big thing in this business.*

That's why when a brush meets a barnacle, it's got to be *tough*. Has to be made of fine quality wire to help a brush do its job faster and wear longer.

So that brushes will wear down evenly and operate smoothly, leading brush manufacturers are exacting in their specifications—wire must be of uniform hardness, toughness, tensile strength, straightness, and diameter.

That's the kind of wire Worcester Wire Works has been drawing for many years—not only for brushing off barnacles, but for metal scale, rust, burrs—hundreds of important cleaning and polishing jobs.

To be sure you're securing the *best wire* especially developed for your requirements—be it brushes, rope, piano strings, staples, springs for precision instruments, for rubber reinforcing or any other application—consult Worcester Wire Works' research and engineering staff. Their experience will help solve your wire problems to improve the manufacture of your product or increase its serviceability and efficiency

BUY WAR BONDS AND STAMPS



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Worcester, Mass.

ROUND STEEL WIRE, SMALL SIZES

Divisions of National-Standard Company

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Niles, Mich.
TIRE WIRE, FABRICATED
BRAIDS AND TAPE

ATHENIA STEEL
Clifton, N. J.
COLD ROLLED, HIGH CARBON
SPRING STEEL

WAGNER LITHO MACHINERY
Hoboken, N. J.
LITHOGRAPHING AND SPECIAL
MACHINERY





This remark was made to us recently by one of our customers. It's not at all uncommon for us to hear such things... because Whiting Cranes do give long service. They are designed by experienced engineers to handle specific jobs with utmost efficiency.

Perhaps you are moving your materials, equipment, or products with manpower needed for productive work. If so, now is the time to mechanize these operations so they can be done easily and economically for years to come.

Whiting engineers will be glad to make a complete analysis of your materials-handling problems...and design the crane best suited to your particular needs. Whiting Corporation, 15661 Lathrop Ave., Harvey, Illinois.

BUILDERS OF QUALITY CRANES
FOR OVER 60 YEARS

Offices in Chicago, Cincinnati, Detroit, Los Angeles, New York, Philadelphia, Pittsburgh, St. Louis, and Washington, D. C. Agents in other principal cities. Canadian Subsidiary: Whiting Corporation (Canada) Ltd., Toronto, Ontario.

Dependable · Quiet-Running · Durable

WHITING
Overhead Traveling **CRANES**

for slugs, the company assumed all risks for phony nickels.

● **Cut Commission**—To compensate for such possible losses and for relieving proprietors of selling and redeeming slugs, the company whittled the store owners' commission from 22½% to 20% of the money paid into booths.

Toys Are Scarce

Retailers will get one-half normal Christmas requirements. Toymakers hope to reach full production for 1945 season.

Cardboard soldiers, wooden guns, voiceless dolls, and other wartime Christmas toys are headed for what the trade fervently hopes is their last ersatz roundup. Even if restrictions on heretofore critical materials should be lifted between now and Dec. 25, manufacturers couldn't swing into production in time for this year's holiday business.

● **Hopeful for 1945**—But by next March, when buyers flock to New York City's American Toy Fair to buy for Christmas, 1945, they hope to have enough metals, lumber, leather, and textiles to offer samples that will bear reasonable resemblance to prewar lines.

Toy manufacturers do not qualify for spot production authorizations by WPB, since production of toys was never specifically prohibited; hence they must wait for general lifting of restrictions. Normally, about 40% of the industry's volume is derived from metal toys. Given materials, reconversion will be no problem for the industry.

● **Some in War Work**—Some plants are still tied up with war work, but only about 150 of the country's 400 manufacturers succeeded in adapting their nonprecision equipment (such as stamping machines and punch presses) to war work. Of these, only about 30 firms got into war production on a large scale.

Meanwhile, this year's Christmas toys will be much like last year's—but fewer. Manufacturers' quotas to establish customers vary upward from 40% of prewar purchases, and most retailers will probably get about half their normal requirements. Competing for this diminished supply is a bigger army of buyers than ever, thanks to increased purchasing power and the higher wartime birth rate which has brought an estimated 2,000,000 additional children into the toy market.

● **Sales Drop Expected**—Despite inevitable upgrading, with attendant emphasis on high-priced merchandise, retailers' total sales this year are expected to drop

In war and peace *the world's safest transportation*



THROUGHOUT the years, the safety record of the American railroads has been so outstanding that people have rightly felt safer on a train than traveling in any other way.

In view of this, it is worth while to know the safety record of the railroads at war.

Railroad passengers are three times safer in this war than in the last one;

With passenger traffic at a new high in 1943; the average passenger rode in greater safety than in such typical peacetime years as 1938 or 1940.

There have been less than three passenger fatalities for each billion passenger miles traveled.

This record has been made despite the necessity of getting the fullest use out of equipment — and despite the strain under which railroad folks must work.

This is a good record. To make it perfect is our constant goal. And it is fitting to pay tribute to the vigilant spirit and devotion today of the men and women who have made this record in the course of doing the greatest transportation job in history.



AMERICAN RAILROADS

ALL UNITED FOR VICTORY

"I've found a NEW USE for MARCHANT!"

"We always thought rotary calculators were suitable only for multiplying large figures, but recent Marchant improvements now enable us to show big savings even when figures are small.



"Yes, on figures like 37 hrs. x .95 = 35.15 we've found our Marchant to be the best just as it always has been for larger figures."

*P.S. Our operator
says—*

"It's easy to turn out 500 copied answers per hour like the one the boss talks about... and with some spare time, too!"



Deliveries according to WPB schedule.

MARCHANT
SILENT-SPEED ELECTRIC
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THIRTY-FOURTH YEAR

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SERVICE STATIONS GIVE SERVICE EVERYWHERE

about 20% from last year's \$200,000,000. (By contrast, normal prewar retail volume was about \$240,000,000.) This is partly because of actual merchandise shortages, partly for lack of big-ticket items like velocipedes.

A few early buyers may find an occasional doll carriage with metal frames and wheels, small metal items like toy animals, wagons with metal axles, or sleds with metal runners. But these do not represent reconversion, but a production O.K. wrung from WPB by manufacturers with stocks of partially completed toys. Inventories may still contain a little prewar merchandise.

• **Toys From Scrap**—Most toy seekers this year will have to be satisfied with tanks, jeeps, airplanes, and ships made from mill scraps and short lengths of lumber, or the same kinds of toys made from paperboard. With fewer toys of all kinds available, the proportion of dolls, other stuffed merchandise, and games will loom larger, because their raw materials are less critical.

The swing toward children's books as a substitute for other kinds of playthings was evident as early as March, 1942. No sales figures are available, but trade reports indicate that the demand for children's stories is even greater than that for adult books.

• **Decline in New Titles**—Publishers Weekly, trade magazine of the book business, reports that while the total number of new titles published during the first eight months of the year was 4,503, compared with 5,527 in the same period last year, the decline in new juveniles was proportionately less: from 359 to 344.

This may also be a result of paper restrictions: Children's books are expensive to produce because of many illustrations, but they require less paper than an adult book of comparable price.

Boom Town, Wis.

Eau Claire sees rising employment after the war resulting from early "reconversion" of U. S. Rubber Co. plant to tires.

The 35,000 citizens of Eau Claire, Wis., believe that theirs is the luckiest city in America, that it has the rosiest postwar prospects.

• **Back to Tires**—Their justification for this belief is that the Gillette division of United States Rubber Co., long the biggest employer of labor in Eau Claire, is rapidly nearing the end of its \$20,000,000 job of reconverting from ordnance to tire production; its reconverted capacity will be double the prewar output, its facilities among the most modern in the industry.

What has been classed by the War Production Board as the largest reconversion to date is actually not a reconversion in the accepted sense but an adaptation to the changing needs of war. It has been accomplished during a period when outside labor demands provided ready employment for the plant's 2,500 rubber workers who otherwise might have been idle.

• **Byproducts of Expansion**—Even conservative individuals predict a 50% increase in employment, a demand for 3,000 new homes, a 15,000 increase in population, within five to ten years.

Pearl Harbor brought a crisis to Eau Claire. The crude rubber shortage made shutdown of the Gillette plant inevitable. The 2,500 rubber workers were threatened with layoffs. Stagnation faced the city's economic structure.

• **Converted to Ammunition**—U. S. Rubber offered the plant to the govern-



Greatly expanded and newly equipped, U. S. Rubber Co.'s sprawling tire plant at Eau Claire, Wis., contains the city's confidence of postwar prosperity.

ment, which decided to use it for manufacture of .30 caliber ammunition. By spring of 1942, some 2,100 workers had been laid off temporarily while the equipment for making tires was torn out and ordnance machinery was being installed.

A small crew was kept busy, however, turning out such badly needed items as 600-lb. bomber tires. Key personnel was sent to other ordnance plants to learn new assignments. Many other employees were given vocational training and absorbed in other war plants in the area, notably Milwaukee.

The last tire was cured July 15, 1942; ammunition production started Aug. 17, 1942. And as employment demand increased at the Eau Claire ordnance plant, the former rubber workers came back. Most of them had maintained their homes there while laboring elsewhere. In the end, all but about 70 of the original crew had returned. At its peak, ordnance employment at Eau Claire rose to 6,200 (60% of the workers being women).

• **Other War Orders**—In the meantime, other war industry had come to Eau Claire. National Pressure Cooker Co., which before the war made 80% of the nation's pressure cookers, received a contract for bomb and shell fuses. Its employment jumped from 600 to at least double that figure.

• **Cutbacks Came**—Thirteen months after ammunition production had started at Gillette, the Army began its drastic cutback on small arms ordnance. To help meet the rising demand for heavy-duty tires, the government decided to reconvert the Gillette plant to tires. And with this went the decision to double the plant's former tire-making capacity.

Even before building plans and production line layouts were drawn, orders were placed for new machines and tools to make tires. Most of the plant's old equipment had been transferred to other rubber factories; a little was scrapped; only a small amount was available for reinstallation. So new equipment was required.

Ordnance production, which had won the plant the Army-Navy "E" after six months of operation, halted Dec. 15, 1943.

• **On "Loan"**—This time, however, because of the scarcity of manpower, the displaced employees were not left at loose ends. Some 400 were "loaned" to other U. S. Rubber Co. plants under an arrangement worked out with the War Manpower Commission which assured their return when needed. About 500 were employed on reconversion construction work—an arrangement that required considerable dickering with the A.F.L. building trades unions, since the

Can You Solve This One?



PROBLEM: With only two straight cuts divide this horseshoe into seven pieces with a nail hole in each piece.

UNDER the impetus of production for war, many manufacturing problems have arisen as new methods and processes have been evolved by American industry.

Thermoid Products have played a major role in the solution of many industrial rubber problems because of the completeness and quality of the Thermoid Line*.

Guiding the way to the solution of many of these problems has been Thermoid research, always concerned with the highest end-use efficiency in every Thermoid Product installation.

If you have an industrial rubber problem, call in the Thermoid representative. His experience, combined with Thermoid's extensive research and manufacturing facilities, may solve your problem.

SOLUTION to horseshoe problem: Assume the nail holes are numbered clockwise from 1 to 7. Make a straight cut across the shoe between holes 2-3 and holes 5-6. Then lay the curved end on the two remaining pieces so that a straight cut between holes 3-4 and holes 4-5 will also cut between holes 1-2 and holes 6-7.

DON'T PUT IT OFF
TIL TOMORROW
Buy More War
Bonds Today!

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DIVISION OF THERMOID COMPANY
TRENTON, NEW JERSEY

* THE THERMOID LINE INCLUDES: TRANSMISSION BELTING • F. H. P. AND MULTIPLE V-BELTS AND DRIVES • CONVEYOR BELTING • ELEVATOR BELTING • SHEET PACKINGS • WRAPPED AND MOLDED HOSE • INDUSTRIAL BRAKE LININGS AND FRICTION PRODUCTS • MOLDED HARD RUBBER AND PLASTIC PRODUCTS



Here are the features of the D-8 Oster Motor that account for its popularity

Housings: Die Cast Aluminum, open construction for natural ventilation. Totally enclosed housings available with reduced motor ratings.

Finish: Black Anodized.

Weight: 1 pound, 14 ounces.

Bearings: High quality single shielded ball bearings lubricated with grease suited for any specific application. Bearing housings fitted with steel inserts.

Mounting: Standard 1 1/4" Dia. air corps rabbit.

Brushes: High grade metal graphite of ample size to assure unusually long brush life.

Windings: Available in shunt, series and split series reversible, 12 and 24 V., intermittent and continuous duty. Also furnished with series winding for use on 115 V. AC/DC.

Modifications: Special shaft extensions, mounting arrangements, leads, etc. . . . also furnished for operation in high ambient temperatures and high altitudes.

All data and ratings are approximate.

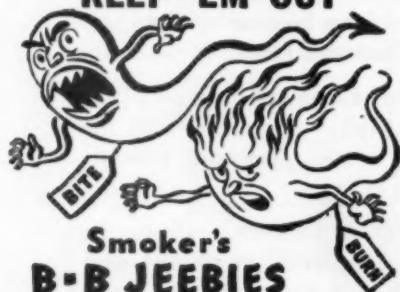
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Smoking is *ALL* pleasure—with Country Doctor Pipe Mixture. Here's why! Country Doctor's extraordinary blending experience; selection of the choicest tobaccos; skillful use of the perfect moistening agent . . . all three of these superior advantages *together* . . . definitely do away with Smoker's B-B JEEBIES (Bite and Burn) which usually lurk unseen in ordinary tobaccos. Try Country Doctor Pipe Mixture. Fragrant-cool-and Oh so different.

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rubber workers were C.I.O. members. The ultimate deal provided for their joining the A.F.L. locals, paying initiation fees by weekly or monthly installments.

Nearly 500 more, comprising regular mechanical crews, were kept at work rebuilding old machinery and building new equipment in the machine shop. The remainder got temporary jobs at various plants.

• **Present or Accounted For**—Latest check by Howard O. Hutchens, plant manager, shows 1,600 of the plant's prewar factory workers available for tire production, with another 300 accounted for in the armed services; 500 on the prewar payroll of 2,500 were office and supervisory employees.

Release of several thousand women ordnance workers has not created a problem for the city. National Pressure Cooker, resuming partial production of cookers upon the release of aluminum for that purpose, took on some of them to boost its payroll to 1,700. Others were glad to get back to household chores.

• **New War Plant**—A greater number, however, are being absorbed in a new war plant. This is a project of Western Electric, which took over buildings outside the city originally erected by the government for hazardous operations in connection with manufacture of ammunition. The city isn't counting on continued operation of the Western Electric project after the war. The prevailing attitude is simply that prospects will be that much more enhanced should it remain.

Reconversion, therefore, affected Eau Claire business only slightly. J. M. Van-Every, Chamber of Commerce secretary, estimates that the volume of retail trade actually dropped only 12% from its 1943 peak.

• **How It's Figured**—Forecasts of post-war security are based on the Gillette plant's employing 3,500 on three eight-hour shifts (against 2,500 on four six-hour shifts before the war), on National Pressure Cooker's retaining its present 1,700 workers (against 600 before the war), and on all the additional retail and service employment which these two will create—plus a lot of help from scores of smaller enterprises.

Home construction will be a factor. A. R. Garnock, city engineer, says that 1,000 homes could be used right now. The city must spend \$500,000 to increase its water supply to fill the greater demand of the tire factory. An additional \$100,000 must be spent in building access roads.

The U. S. Rubber Co.'s \$20,000,000 Gillette plant, fifth largest tire factory in the nation, has made a boom town of Eau Claire, Wis.

Saving the Soil

Georgia responds to plan for rebuilding farm land under Callaway program. Union attack fails to dampen enthusiasm.

Cason J. Callaway's plan for rehabilitating Georgia's farm lands and putting farming on a businesslike basis (BW—Aug. 12'44, p119) has spread like wildfire throughout the state.

• **To Purchase Land**—A retired industrialist whose hobby is scientific farming, Callaway proposed formation of 100 corporations, each with seven stockholders investing \$1,000 apiece. Each corporation would buy 100 acres of land at an average cost of \$30 an acre, leaving \$4,000 to be spent as rapidly as possible in building up that land; each would borrow from banks not more than \$3,000 for cattle, machinery, and other "current inventory"; and each would hire a farmer-manager.

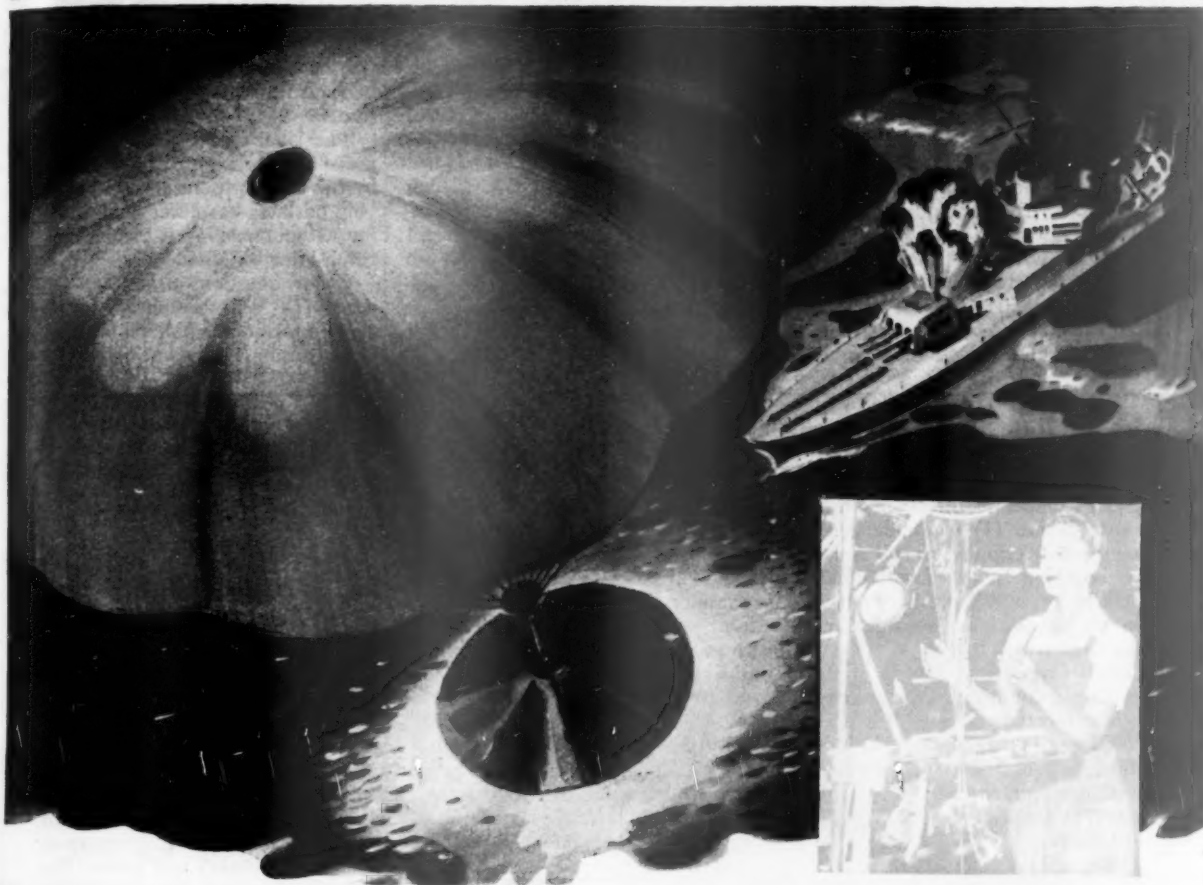
In less than eight weeks after Callaway made his plan public, 35 corporations have been accredited, with paid-in capital. At least 40 other corporations are in process of organization, and backers of the plan expect the goal of 100 corporations to be reached in a month.

• **Agencies Cooperate**—Typical of how a farm will be studied and surveyed once



A director of U. S. Steel and one of New York's big banks, Cason J. Callaway has the business background for his plan of businesslike farming.

LOW COST POWER...TO WIN THE WAR NOW...AND THEN THE PEACE



Spinning Molten Glass Into Flameproof Fabric

FIBERGLAS is strong, flexible, gossamer fibers of glass, that can be gathered as a fleecy wool or spun into silk-like threads. These in turn are fabricated into textiles, mats and compressed boards.

This lightweight, flameproof material in its many forms is used to shield parachute flares, to screen welders' arcs, to filter blood plasma, to absorb sound, to line refrigerators and ovens, to insulate homes, airplanes, ships, pipes, cables and Arctic huts, and to strain dust, paint, T.N.T. and other objectionable particles from the air of factories.

In two of the three processes used, the glass fibers are made by blowing high-pressure compressed air against thin streams of molten glass. As the glass runs out of the furnace, the air blast rips it into cobwebs, one quarter to one-half thousandth inch in thinness.

At the Newark, Ohio, Fiberglas plant, a Cooper-

Bessemer compressor supplies the air blast, holding it at uniform pressure, controlled with extreme accuracy. Now with war's demand for increased production placing continuous, extra loads on the equipment, the rugged compressor responds with steady, dependable, low-cost service.

This is just one more of many new American industries in which Cooper-Bessemer compressors play vital roles, and which after the war will contribute tremendously to the making of a better world.



BUILDERS OF DEPENDABLE ENGINES FOR 111 YEARS

a corporation is set up is the activity at Georgia Better Farms, Inc., No. 1, which is located in Callaway's home county. Agricultural experiment stations of the state university system, the Soil Conservation Service, and the Agricultural Extension Service have promised the full-time assistance of six experts for the program. The crop and soil specialists spent two days going over the physical holdings of the newly acquired farm which has not been in cultivation for many years, probably not since the late 1920's. From 50% to 75% of the topsoil on the crop land is gone, as well as some of the subsoil. Detailed recom-

mendations will be made for improving each acre.

A scientific diagnosis shows seven acres of class 1 land needing little erosion control; two acres of class 2 land; 48 acres of class 3 needing erosion control practices and supporting terraces. None of the land falls into classes 4 or 5, but there are ten acres in class 6 for which trees or close-growing crops are recommended. In class 7 are 33 acres, for 24 of which trees or perennial crops are suggested.

• **Union Leader Objects**—The Callaway plan met its first opposition last week when Charles H. Gillman, C.I.O. re-

gional director, attacked the principles involved and in an open letter requested "assurance that the plan would not develop into an attempt by financial and business interests to monopolize agriculture."

The labor leader challenged the proposed widespread use of farm machinery by the farm corporations, charging that "big business has never gone into farming without making it big business and going after big dividends."

Other questions asked by Gillman were: (1) Will the farms follow the usual hire-and-fire policy of corporation farms, using every means to attract

Ring in Pacific Closing Swiftly on Japan

Japan's desperate thrust in China toward Kweilin (1) has endangered or temporarily crippled several American bombing bases from which fighter planes and giant B-29's have been striking at Japan's armies and home industry.

• **Linked Conquests**—Tokyo's strategy is clear. Pushing down the railroad, which connects by road with French Indo-China, Japan hopes to link its far-flung conquests by land before its sea communications are irrevocably severed by Allied advances in the South Pacific.

Liquidation of United States bases in China is also an important consideration because long-range bombers would soon have been in a position to hammer Japan with greater regularity.

• **Invasion Preliminaries**—From the southwest, Allied forces are pressing closer to the Philippines. Bombers have already blasted Manila (2) and the key Japanese base in the southernmost island at Davao (3). These were mere examples of future systematic attacks on Japanese installations in the islands preparatory to actual

landings, which may come at any time.

The possibility of a sea-borne invasion of the Philippines has been strengthened by the seizure of part of Halmahera (4) and landings in the Palau Islands (5). Consolidation of these footholds will effectively emasculate the important Japanese military base on Yap, to the northeast.

• **Attrition at Sea**—Although China, spent by its seven long years of unrelieved struggle, is admittedly unable to resist the land incursion of the Japanese armies and pleads that overland assistance from India be sent, rescue is due to arrive by other routes.

The ring in the Pacific is closing swiftly, and scientific attrition of Japanese shipping is sapping the supplies of Japan's war industry. It is still too early to claim the destruction of either the Japanese navy or its fugitive merchant fleet (BW-Sep. 2'44,p113), but in recent weeks the sea attack has reached new intensity, with special emphasis upon tankers that are moving north to home refineries.

• **British Poised**—Not to be overlooked, however, is the fact that a substantial part of Britain's navy has moved into the Indian Ocean—preparatory to amphibious and air attacks upon the Andaman Islands, Sumatra, and perhaps even the mainland of Malaya.

The fleet claimed more than two dozen Japanese ships last week. Its planes lashed out at Sumatra. With the American and other Allied forces, this military contingent under Lord Louis Mountbatten will form the pincers which will finally nip off Nippon's Netherlands East Indies empire.



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workers when they're needed, and then using means to drive them out of the community as soon as the seasonal work is done? (2) What will laborers make if farm managers, employed by the corporations, are to receive \$75 a month? (3) What will be done about housing and health problems? (4) Where conditions in the fields are substandard, will government aid be welcomed or opposed? (5) What will be the policy on collective bargaining, employment service, and social security for farm labor?

• **An Experiment**—Callaway refused to enter into a controversy with the labor leader, replied "this is an experiment" and that "there is room for many others to put time, effort, and money into the building of our lands and improving the income of Georgia." Quick to answer Gillman's criticism were many Georgia newspapers.

Meanwhile, Callaway, whose farm plan has attracted nationwide attention (Georgia members of Congress submitted it to the Senate and House agriculture committees), continues to receive large groups from all over Georgia at his own 25,000-acre farm, explaining more in detail about his farm plan and showing what has been and is being done on his land.

Wine Prices Cut

OPA will lower ceilings on bottled goods, but will boost prices on bulk sales. Vintners won't get grape controls.

Drinkers of bottled wine can expect up to a 10% decrease in price shortly, but purchasers of wine in bulk must be prepared to pay about 100% more.

After many weeks of deliberation, OPA has informed California's wine industry (California produces 95% of the nation's grapes) that the prices of bottled goods will go down. In defense of its decision, OPA said that it set too high ceilings in the past—so high in fact that all the wine went into bottles, none for the bulk trade.

• **Price Schedules**—The wholesale price (including taxes) of a case of wine (twelve bottles) will be lowered from \$6.90 to around \$6.29 on dessert wines, and from \$5 to \$4.50 on table varieties. Prices of bulk dessert wines (port, sherry, etc.) will be raised from 59¢ a gal. to \$1.18, and table wine (sauterne, chablis, etc.) will be set at approximately 81¢ a gal.

The increase in bulk wine prices won't mean much to wine drinkers of the nation, as only three states (California, Louisiana, and Wisconsin) permit the retail sale of wine by bulk. But the in-



At this foundry, truck-loading of heavy castings was a slow, back-breaking job until Lo-Hed Electric Hoists were installed. Now, fast, easy-to-operate Lo-Heds make it a job anybody can do.

Lo-Heds are designed for consistent service and long life, built for heavy duty with a minimum of maintenance.

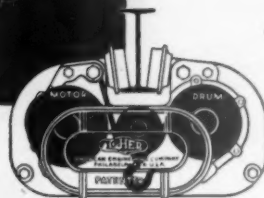
Similar applications in all industries demonstrate Lo-Heds' ability to simplify hoisting operations and to reduce materials handling cost.

Let Lo-Heds speed-up your production—save you time and money. Get full information today.

Other A-E-CO Products: TAYLOR STOKERS • MARINE DECK AUXILIARIES • HELE-SHAW FLUID POWER



The Lo-Hed Hoist can be adapted for operation on any monorail system. There's a Balanced Lo-Hed Electric Hoist for Every Purpose.



LO-HED IS THE "BALANCED" HOIST FOR HEAVY DUTY SERVICE

"Balanced" construction gives you low headroom—a desirable plus for which you pay no premium.

Other important features are: all spur gear drive; heavy duty hoist motor; strong, short shafts; high duty bearings; 100% positive automatic stop; removable protective covers for all vital parts.

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IN INDUSTRIAL PACKAGES?

MANUFACTURERS of consumer products for many years, have recognized beauty—as a selling force. Auto manufacturers—for example—very wisely spent fortunes to give their models eye-appeal.

But beauty—it was thought—could NOT sell industrial products. Then—smart manufacturers began streamlining dynamos, lathes, punch presses, motors, compressors, gas engines, and . . .

—the industrial world changed!

For whenever better or even equal in efficiency, the new better-looking machines SOLD! And so well—that modern equipped factories resemble little the plants of ten years ago.

Beauty—it is clear—influences people's choice in EVERYTHING! That's why industrial merchandisers now insist on attractive industrial packages.

That's why in every package by Ritchie—whether it contains rotary files or a scented face powder—you will always find, in its lines, in its proportions, color or general design, a strong eye-pleasing quality . . . elements of beauty.



Attractive, practical, tamper-proof package created for M. A. Ford Manufacturing Co., Inc., Davenport, Iowa. Gunned flaps of cover turn under and seal to bottom. Unique nesting of tools prevents damage to cutting edges.

PACKAGES BY RITCHIE
PROVE THAT BEAUTY SELLS

HOW TO GET A PACKAGE THAT SELLS

Let Ritchie design a package for you and it will have beauty more than skin deep. It will have the right material and structure for its job. It will be practical, convenient to use, easy to handle, easy to stack and display. It will proclaim your product-identity. It will be memorable and attractive. And Ritchie's expanded, war-developed facilities for volume production assure its low cost. Let Ritchie demonstrate how you can get a better selling package. No obligation. Write us today.

W. C.

Set-Up Paper Boxes
Fibre Cans
Transparent Packages

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crease will encourage vintners to distribute wine for sale in that method.

• **Production Up**—To Californians, however, the ruling means a lot, because the state not only produces most of the nation's grapes but consumes 20% to 25% of the annual wine production. This year's wine production, incidentally, is estimated at between 75,000,000 gal. and 80,000,000 gal., and this from a grape crop 266,000 tons below 1943's production of 2,789,000 tons.

Despite what the industry admits are high prices for bottled wine, more table wine was consumed in the United States in 1943 than at any time since the repeal of prohibition. According to the Wine Institute, 37,322,217 gal. of table wine were consumed in 1943, an increase of nearly 18% above 1942's consumption of 31,763,198 gal. The total consumption of all wines, in 1943, however, decreased 16.7% below 1942 consumption.

• **One-Way Controls**—What has irked vintners is the fact that government controls have extended to only a part of their industry—the price of the product has had a ceiling but there never has been any ceiling on what wineries must pay for grapes (BW-Jul. 15'44, p. 42).

More than half of the grapes purchased by the wineries are grown by the wineries themselves, but the lack of ceilings on wine grape prices has caused considerable uncertainty and shopping around on the part of growers, and has led to lively competitive bidding which sent prices to as high as \$150 a ton.

• **Prices Adjusted**—When the prices of wines were frozen in the spring of 1942, wineries were still selling wine from the 1940 crush. Grapes that year cost around \$15 a ton. OPA made an adjustment in November, 1942, allowing the wine ceiling to reflect the 1942 vintage season when grapes cost \$30.30 a ton.

Wine makers feel this would have been reasonable had a \$30.30 ceiling been placed on grapes. But there was no ceiling and there is none now. In 1943, when the grape crop was the largest ever, the War Food Administration took over all raisin-variety grapes, cutting down on the quantity available for crushing.

• **Three Ceilings**—In October, 1943, OPA allowed "nominal" increases in the price of wines to correct any mistakes made the previous year. At that time the vintner had three different price ceilings: (1) his price based on March, 1942, when grape costs were down; (2) an alternate ceiling price, based on grapes costing \$30.30 a ton; and (3) special maximum ceilings obtained on application, based on producing a superior quality of wine.

The natural outcome of these regulations was to cause wine makers to aban-

RADIOS ON TRUCKS

Radio communication between truck drivers on the road and central dispatching offices is the object of experimental operations planned by the American Trucking Assns., Inc.

The plan will be presented to the Federal Communications Commission at a hearing late this month together with an application for assignment of temporary short and long-range bands on which to conduct tests. WPB has granted priorities for necessary equipment, and the first transmitted will be set up in Chicago.

Advantages claimed for truck-to-terminal communication, if tests prove its feasibility, are immediate reporting of breakdowns, reconsignment of perishable freight, and rerouting of traffic when necessary.

ment at Chicago's municipal airport. If WPB grants necessary materials promptly, the airport will have hourly fair-weather capacity of 60 landings and 60 take-offs by early 1946.

This is considered adequate to handle Chicago's postwar commercial air traffic for five or ten years, until it is possible to build more airports in the metropolitan area.

The city is putting up \$500,000 for accessory improvements such as more loading gates and better drainage. Eight airlines are lending \$1,250,000 without interest, to be used only in constructing a new passenger terminal. The city will own the terminal, and the airlines will collect their money in the form of withheld hangar and landing fees until it is worked out.

Truckers Save

Shortage of clerical help in Los Angeles leads to clearing house for bills, and savings for both hauler and shipper.

Shortage of office help has led Los Angeles truckers to adopt the clearing house for bills. Transport Clearings has begun operations, has 30 members at present, and because of benefits to truckers and shippers alike, the setup probably will be continued after the war.

• **Daily Settlements Made**—Minneapolis started the first clearing house about two years ago, and the idea has spread to Portland, Ore., San Francisco, and Kansas City, Mo.

The trucker sends his bills daily to the clearing house, and next day gets a check covering the total value of charges submitted. The trucker pays 5¢ a bill, plus 1.25% on the total charges. With a larger membership the charge per bill is expected to come down. All items charged against each shipper by different truckers are consolidated by the clearing house into a single bill, and shippers pay the clearing house by one check.

• **Relieved of Collections**—Economies to the trucker are savings in postage, envelopes, and clerical labor to address and mail many bills. Also, he is relieved of individual collections and the clearing house handles the credit details. Losses are said to be negligible, being confined now chiefly to those resulting from bankruptcies.

Economies to the shipper are elimination of numerous accounts with different truckers, resulting in savings in postage, stationery, and office work through paying each day's bills with one check.

on the cheaper grades and concentrate on higher-priced wines. This, leaders in the industry assert, was more responsible for high wine prices than anything else except, perhaps, federal taxes.

• **Vintners Squeezed**—Another "villain" entered the scene when the War Food Administration set a support price on raisins which would be equivalent to \$45 a fresh ton for Thompson and Sultan varieties, and approximately \$48.50 for muscats. Later they were up to \$95 and \$100 a ton respectively.

OPA also had an \$85-a-ton ceiling on table grapes for home consumption (BW—Aug. 28'43, p108). Thus, from all sides came pressure that shortened the available supply of wine grapes and forced prices up.

• **No Grape Ceiling**—Hearings in California and Washington between committees from the industry and government officials have yielded no promises for a ceiling price on wine grapes.

There are three reasons why no ceiling will be forthcoming this year:

(1) There are more than a 100 varieties of grapes and it would be difficult ever to make an equitable ceiling.

(2) Flavor and bouquet of grapes differ greatly. For example, those grown in hilly vineyards of coastal counties command a higher price than those in the drier Fresno (Calif.) area.

(3) This is a political year.

CHICAGO AIRPORT EXPANDS

After months of hemming and hawing, city authorities and the airlines settled last week on a formula to permit starting work on a \$1,750,000 improve-

DEHYDRATED FOODS



Five stories below Times Square a new process is born in Glass-Lined Steel

150 feet below the hurrying crowds of Times Square, researchers of Thomas Lipton, Inc., are producing experimental quantities of dehydrated fruit and vegetable juices, amazingly rich in retained natural flavor. Here is a process, born in Pfaudler glass lined steel laboratory equipment, that may revolutionize the American housewife's food-buying habits.

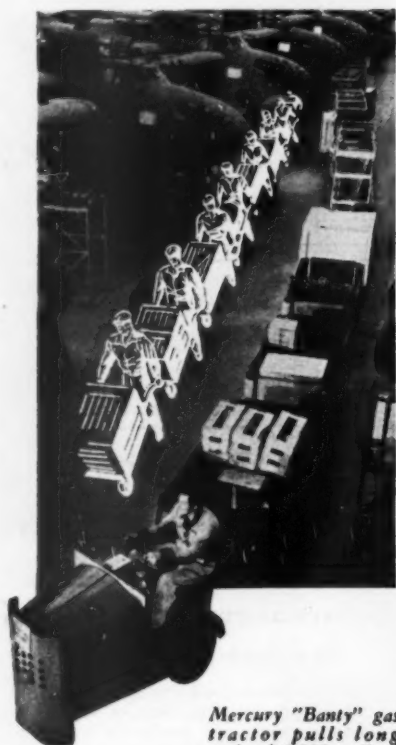
The Link Between Laboratory and Commercial Production

These experiments are being carried out in a Pfaudler Glass-Lined Steel Vacuum Evaporator . . . pilot plant equipment that is the forerunner of the Glass-Lined Steel production equipment that will be used later. In such equipment . . . in the chemical, food, beverage and petroleum fields . . . wherever corrosion or metallic contamination can be a problem . . . American Industry is preparing for the new products to come. Why not let Pfaudler Engineers assist you with your development program? We would be glad to be of service—now. The Pfaudler Co., Rochester 4, N. Y.

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WAR BUSINESS CHECKLIST

A digest of new federal rules and regulations affecting priorities and allocations, price control, and transportation.

Information

OPA has put out a new official guide on commodities and services under price ceilings. The directory helps business firms to determine under which regulations a commodity or service falls and lists the operating officials who administer the regulations. Copies are available free to key members of OPA's staff. Others may obtain them for \$1 from Superintendent of Documents, U. S. Printing Office, Washington 25, D. C.

Repair shops needing standard model, rebuilt fractional horsepower motors for replacement purposes should apply to WPB's Electrical & Mechanical Repair Section for information.

For information regarding rebuilt motors for repairing domestic refrigerators, washing machines, oil burners, coal stokers, commercial refrigeration systems, pumps, and other motor-driven appliances, application should be made to W. T. Wessels, Used Motor Section, WPB, Temporary "E" Building, Washington 25.

Increased Civilian Supply

Direction 4, WPB Order M-310, which requires tanners to produce the maximum quantity of military-quality calfskin shoe leather for military use, has been revoked. New production quotas for individual tanners allow slightly increased quantities of this leather for civilian shoes.

• **Aluminum Pressure Canners**—Six manufacturers have been authorized by WPB to produce a total of 630,000 during the fourth quarter of 1944 and the first two quarters of 1945, compared with the 400,000 authorized in the eight months ended Sept. 31. Former restrictions on sizes are relaxed, provided that the canners will hold at least seven one-quart jars. (Direction 1, Order L-30-d, as amended.)

• **Cheese**—Restrictions holding sales of cottage, pot, and baker's cheese to 100% of June, 1943, sales are eliminated by Amendment 5, War Food Order 79.

• **Nonfat Dry Milk Solids**—Manufacturers must set aside only 50% of their October spray output instead of the 60% required in August and September. Makers of bakery foods, soups, candy, and ice cream will profit by the 1944 increase in nonfat powder allowed for human consumption. (WFO 54.4.)

• **Portable Electric Lights**—WPB Order L-71, as amended, permits sale on unrated as well as rated orders, so long as manufacturers keep within their quotas.

Decreased Civilian Supply

Because an explosion in one of the leading lead manufacturing plants has cut production of tetraethyl lead, Petroleum Administration for War has ordered U. S.

refineries to cut by 50% the current production of premium gasoline for civilian use. (Amendment 2, Petroleum Distribution Order 21.)

Relaxed Restrictions

Secondary metal (blackplate rejects and turnplate waste-waste) may be used to manufacture cans for packing 27 product classifications listed in a new Schedule M, WPB Order M-81. Some of the items which are given packing quotas are: dyes, glues, cereals, dry dyes, electrodes, disinfectants, soap paste, rubber cement including solvent or latex, spices, liquid and plastic roof cements, certain roof coatings, surgical dressings.

• **Used Construction Machinery**—WPB has revoked Order L-196, thereby releasing for sale used shovels, cranes, draglines, motor graders, and track-laying tractors.

• **Building Service and Processing Machinery**—Regardless of the cost of the job, installations of any piece of building service equipment that has been authorized by WPB on special forms and of processing or service machinery (whether authorized or not) are allowed without permission under Order L-41, as amended. While buildings may be altered as required by the installation, no new buildings or additions are authorized. For heating equipment when changeover to a different fuel is not involved, cost restrictions still apply.

• **Copper Wire Mill Products**—Warehouses may now enter warehouse stock replacement orders with producers or other warehouses if such orders are to replace products previously delivered from warehouse stock as provided under CMP Regulation 4, and not previously ordered from any other source.

• **Bicycles**—Following derationing (BW-Sep. 30 '44, p. 86), WPB has allowed production to be resumed on an industry-wide basis (page 20). For civilian production, manufacturers must file Forms CMP-48 and WPB-3820.

• **Automobile Accessories**—By revoking Order L-69, WPB has ended dual control over the use of bright work on automobiles. Orders M-65 (cadmium); M-184 (chromic acid); M-9-c (copper); and M-64 (nickel) continue to restrict the use of these materials.

• **Umbrella Frames**—Manufacturers are permitted to revert to prewar umbrella models as a result of revocation of Order L-36, restricting iron and steel in frames. Use of these materials will continue to be controlled by allotments under CMP.

• **Glass Containers**—Small packers, whose annual use does not exceed \$5,000, are exempt from container restrictions of Order L-103-b, as amended; formerly, the limit was \$2,500. Larger users are permitted annually \$5,000 of containers and closures for products on which they have no



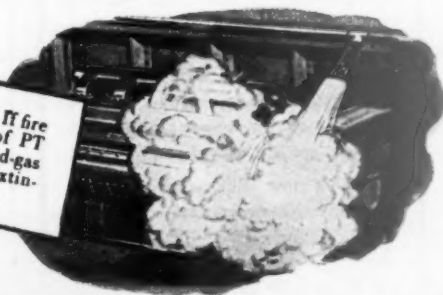
Magic bottle rescues flyer!

Gas-under-pressure is stored in small Kidde cylinders on rubber rafts that keep our forced-down flyers afloat. Pilot turns a valve and gas expands 450 times, pouring life-saving buoyancy into raft in three seconds. This is carbon dioxide — the gas that puts "fizz" in soda pop!



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Naval airports kill fire fast, with Kidde carbon dioxide extinguishers rushed by motorcycle "crash trucks" to scene of fire.



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Plastics Division
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quotas. A few foods, and chemicals, have been added to the unrestricted list of the order; quotas for other products are raised 30%.

Tightened Restrictions

After Nov. 24, manufacturing retailers of women's and children's outerwear garments and fur coats and of men's and boys' tailored clothing will again be subject to the highest price line limitations established under Revised Regulation 287, Regulations 178 and 177. (Amendment 1, Supplementary Order 93.)

• **Textile Fabrics, Yarns**—A mill, plant, or factory that from Jan. 1 through Aug. 31, 1944, produced any textile fabric or yarn cannot be dismantled without specific permission of WPB. (Order L-215, as amended.)

• **Freon-12**—An unexpected shortage of a component of this refrigerant, anhydrous hydrofluoric acid, has resulted in an extension of WPB Order M-28, requiring the use of substitute refrigerants, such as methyl chloride, sulphur dioxide, and ammonia, until the Freon situation improves.

• **Silica Gel**—Because of heavily increased military demands for moisture-proof packaging for war material sent to combat areas,

WPB has placed the desiccant grade of this chemical under Order M-300.

Price Control Changes

OPA has provided differentials above present ceiling prices for magnesium alloys not previously sold in ingot form. Formerly, with a few exceptions all alloys were given a ceiling of 23¢ per lb. (Amendment 6, Reg. 314.)

• **Petroleum Products**—When sales to a supplier are made on assignment in Zone 6 of PAW District I (East Coast) by any assignor who normally used tanker transportation, the supplier will now use the same price formula that has been in effect for sales in other zones in the district. When reassignments are made, suppliers are given a specific formula to establish their price. Previously, in both cases prices were negotiated.

• **Distilled Spirits and Wines**—Processors and dealers in bulk domestic grape spirits, spirits fruit, neutral brandy, high proof and high wines not made from grapes may sell on an adjustable pricing basis pending the issuance of new prices. (Order 514, OPA Regulation 445.)

• **Soybean Meal**—OPA has set a ceiling price, f.o.b. Decatur, Ill., of \$45 a ton on



The Altoona Factories
Altoona, Pa.

M. Backes' Sons, Inc.
Wallingford, Conn.

Belmont Casket Co.
Columbus, Ohio

Blue Jay Mfg. Co.
Huntington, W. Va.

Brook Mfg. Co.
Scranton, Pa.

Chrysler Corp.
Utica, Mich.

Chrysler Motors of Calif.
Los Angeles, Calif.

City Pattern Foundry & Machine Co.
Detroit, Mich.

Corning Glass Co.
Parkersburg, W. Va.

W. B. Davis & Son, Inc.
Fort Payne, Ala.

Douglas Aircraft Co., Inc.
Oklahoma City, Okla.

E. I. du Pont de Nemours & Co., Inc.
New Martinsville, W. Va.

Federal Laboratories, Inc.
Tunnelton, Pa.

Frantz Mfg. Co.
Sterling, Ill.

Geometric Stamping Co.
Cleveland, Ohio

Hays Mfg. Co.
Eric, Pa.

Hoover Ball & Bearing Co.
Ann Arbor, Mich.

Hyland Laboratories
Los Angeles, Calif.

Lebanon Shirt Co.
Union, Miss.

Minneford Yacht Yard, Inc.
City Island, N. Y.

National Gypsum Co.
McGregor, Tex.

National Iron Works
San Diego, Calif.

New England Box Co.
West Springfield, Mass.

Northern Feather Works, Inc.
(Two plants)
Panocular Corp.
Cincinnati, Ohio

Peden Steel Co.
Raleigh, N. C.

Plymouth Cordage Co.
North Plymouth, Mass.

Q-O-S Corp.
New York, N. Y.

Remington-Rand, Inc.
Tonawanda, N. Y.

Rudy Furnace Co.
Dowagiac, Mich.

Seeger Refrigerator Co.
St. Paul, Minn.

Spevack & Garbaccio, Inc.
East Rutherford, N. J.

Stephens Bros., Inc.
Stockton, Calif.

Sylvania Electric Products, Inc.

Brookville, Pa.

Truscott Boat & Dock Co.
St. Joseph, Mich.

The Weldon Tool Co.
Cleveland, Ohio

Westinghouse Electric & Mfg. Co.
Bloomfield, N. J.

(Names of winners of the Army-Navy and Maritime Commission awards for excellence in production announced prior to this new list will be found in previous issues of Business Week.)

meal of a standard protein content of 44% produced exclusively by the extraction method. A new byproduct (mill-feed) containing 15% protein is priced at \$30 per ton. (Food Products Regulation 3.)

• **High-Tenacity Rayon Yarn**—Under Amendment 6, Regulation 167, producers of 1100 denier yarn subject to a WPB production order may petition for an adjustment in their maximum prices.

• **Coal and Wood Stoves**—Orders may now be placed for heaters and cookers that will be ration-free after Oct. 15 (BW—Sep. 16 '44, p. 53). Stoves cannot be sold or held out of stocks for delivery after rationing controls are lifted, however. (Amendment 15, Ration Order 9-A.)

• **Ammunition**—In listing ceiling prices for many additional types recently released by WPB for civilian use (BW—Sep. 2 '44, p. 83), OPA has revoked the 25% premium previously allowed on sales in less than box lots. Prices for single shells are now computed by dividing the full price by the number of shells per standard box.

• **Combed, Carded Cotton Yarns**—To maintain the margins prevailing before the new ceilings for base-grade yarns were issued, OPA has reduced the percentage premium allowed from 6% to 5.4%. (Amendment 15, Revised Price Schedule 7; Amendment 7, Reg. 33.)

• **Processed Fruits and Vegetables**—Wholesalers' and retailers' ceiling prices will reflect the 1944 processors' ceilings for this year's pack according to OPA rulings covering dried fruits, and canned and frozen fruits and vegetables.

Ration Control Changes

To provide increased flexibility, an industrial user of sugar who packs, cures, or processes meats, fish, or poultry may average out his sugar use for each class of meat product at the maximum rate permitted for the class. Previously, sugar use for any product in a class was limited to the rate for the class. Only products in which he used sugar in either 1941, 1942, or 1943 are affected. (Amendment 45, Revised Ration Order 3.)

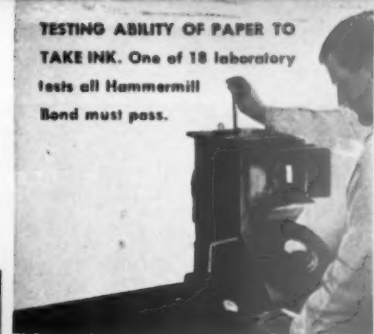
• **Anthracite and "Eastern" Coke**—The amount that may be delivered to domestic consumers before Dec. 31 has been limited by Solid Fuels Administration to $\frac{2}{3}$ of their normal annual requirements. This ruling, to spread the available supply as far as possible (BW—Sep. 30 '44, p. 31), supplants the order that deliveries to Oct. 1 should be limited to only half the consumers' requirements.

• **Leather-Soled Moccasins**—Moccasins, which have been ration-free, are now rationed. Shoes already on the market here are not covered. (Amendment 79, Ration Order 17.)

• **Truck Tires**—To relieve the tight situation (BW—Sep. 30 '44, p. 41), OPA has provided that tire manufacturers may transfer a limited number of new tires to dealers without obtaining certificates. Dealers who were caught without sufficient inventories after the July 30 certificate invalidation may thus renew their stocks as soon as production increases. (Amendment 88, Ration Order 1-A.)

With tests like this

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ANY TYPIST makes a mistake now and then. And if she is using inferior paper, there will be a scuffed, messy-looking spot when she erases. She must do the whole letter over to make it neat. A waste of your paper. A waste of her time.

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papers for business use. It is tested & checked at every step in its manufacture by the most modern devices in paper making. Then, in Hammermill laboratories, the finished sheet receives 18 tests—for erasure, strength, weight, essential quality. Hammermill Bond passes every requirement of office use because it is *pre-tested*, proved in advance

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BUY WAR BONDS AND KEEP THEM

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HW-10-7



Handshake from home!

To men getting ready to fight and die, a day can be an awfully long time, a year seems like a century. Millions of men have been overseas so long they almost forget what normal living is like! So every letter means more than you can imagine—a handshake from home, a sign that somebody remembers, evidence that a good world still exists ... Write often, to everybody you know overseas. And write V-Mail.

Ordinary mail may take months. There would not be planes enough if everybody tried to use Airmail . . . So V-Mail is the only way most men overseas can get letters fast and fresh! Photographed on film strips, millions of V-Mail letters can be flown on one plane; reproduced over there, delivered fast, fresh and personal. Always use V-Mail forms, available everywhere. Or ask for a sample packet of six, with our compliments. Address below . . .



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1480 Pacific Street, Stamford, Conn.

Originators of Metered Mail, world's largest Manufacturers of Postage Meters, which print postage for business mail . . . now devoted to war production.



FINANCE

(THE MARKETS—PAGE 122)

Street's Paradox

New-issue underwriters are swamped, but stock exchange begins campaign to obtain new listings as volume sinks.

Feast and famine are found side by side in Wall Street today. The big new issue houses are overflowing with business, but the New York Stock Exchange is looking for more volume now as well as after the war.

September, with its \$418,000,000 of new security offerings, was the busiest month Wall Street underwriters have enjoyed since 1940—the biggest September since 1930. If immediate expectations for \$800,000,000 additional new issues materialize, the Street's underwriting and distributing organization will have its severest test before the Sixth War Loan drive starts in late November.

• **A Different Story**—Unlike the underwriters, the New York Stock Exchange doesn't need to hang up any standing-room-only signs.

Although 1,180 issuers, including 1,092 domestic corporations, have securities listed there, the Big Board's trading facilities are far from being swamped. In only three years since 1929 has stock trading volume sunk to levels as low as those of 1944.

• **Looking for Business**—What the exchange wants is additional listings to expand trading interest. Some time ago it indicated it was aiming at making New York a better market for the equity securities of corporations in other countries.

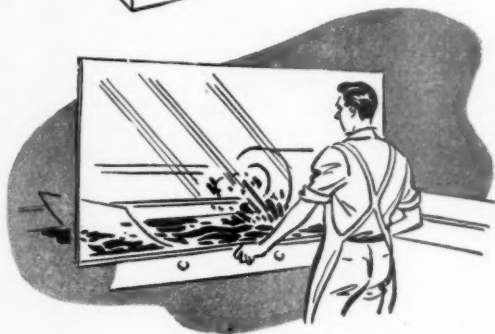
But the Big Board primarily wants the industrial world to know now that its standards, while high, aren't all-exclusive. The exchange isn't hiring solicitors to chase after new business, but it is receptive.

For the first time the exchange is really publicizing listing requirements in order that executives interested in wider distribution of their corporations' securities can learn just what procedure they must follow.

• **Rules Are Flexible**—Opening gun in the drive is a letter from Emil Schram, president to all members and allied members of the exchange (also being published in the Big Board's widely distributed monthly magazine, *The Exchange*), in which he points out that



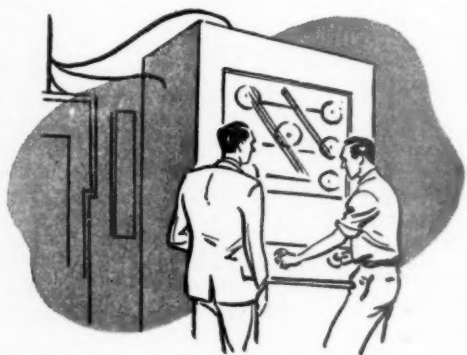
... how industry can provide
visibility and protection
... with *Glass*



FOR PERSONNEL Where equipment may splash or spray acids or throw minute particles, safeguard workmen with a screen of glass. If a process generates dangerous or uncomfortable heat, provide a screen of L-O-F Tuf-flex—the glass that is tempered for thermal shock.



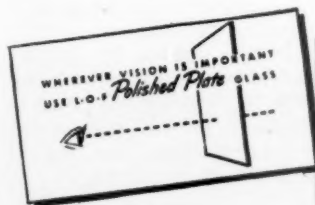
FOR MATERIAL IN PROCESS If you produce foods, chemicals, drugs or finely-machined parts that must be kept immaculately clean—confine those processes to glass-enclosed rooms. Glass enables you to keep the rooms “open” for light and visibility—yet closed from harmful elements.



FOR EQUIPMENT Is the machine running properly? Does it need lubrication? Is the flow of materials steady and unhampered? Safeguard your equipment by putting a window of glass in it—so you can see trouble before it becomes serious.

GLASS has the transparency, the hardness, the chemical and dimensional stability, the weather-resistance—to do many jobs for industry. It can be tempered for extra strength, for extra resistance to impact and thermal shock.

If you desire visibility in any of your processes, equipment or buildings—chances are that glass can do the job for you. We'd welcome an opportunity to show you how. Libbey-Owens-Ford Glass Company, 55104 Nicholas Building, Toledo 3, Ohio.



LIBBEY • OWENS • FORD
a Great Name in GLASS

★
the
fire of
dauntless
courage
★



Kindled in the torch of American liberty, blown into consuming flame by the bombs of treacherous little men and stoked by the driving energy of a great nation . . . the spark of freedom became a roaring fire of courage. Quickly, it welded the resources of Democracy into invincible might. Now, in its glorious glow, free men see the vision of victory. When this vision has become reality, Allen's entire resources will be turned to supplying the tools of business accuracy.



R.C. Allen Business Machines

ALLEN CALCULATORS, INCORPORATED
678 FRONT AVE. N. W., GRAND RAPIDS 4, MICH.

Makers of World Renowned Business Machines

10-Key Calculators • Portable and Standard Adding Machines • Bookkeeping Machines • Cash Registers
Statement Machines • All-Purpose Office Machines, Electric or Hand Operated



*Record-
breaking
Marauders
are built
with the
Aid of*



Hailed as the outstanding 2-engine bombers of the European air war, the Marauders hold the record for the lowest combat losses in that theatre—only one-third of one per cent! As many as 100 combat missions have been made by a single Marauder without injury to any of her crews.

B-26 Marauders are built by the Glenn L. Martin Co., whose great plant outside of Baltimore uses over 40 Frick Refrigerating Machines for air conditioning and other special cooling services.

Remember: For the really important jobs, specify Frick Refrigeration and Air Conditioning.

FRICK CO., Waynesboro, Penna.

AIR CONDITIONING

there is no precise formula or yardstick governing new listings.

In general, companies to be eligible must be going concerns, with substantial assets, which are in a position to show annual earnings of over \$500,000 for at least two years prior to being engaged in any war effort.

Most important is the applicant's trade standing; the character of its products and markets; the stability and position of the company in its industry; and whether it is engaged in an expanding field with prospects of maintaining and improving its position.

• **Other Requirements**—Its securities, in addition, should have sufficiently wide distribution to afford reasonable assurance that an adequate auction market in them can be maintained.

In the case of common stock, a minimum of 1,000 stockholders is expected, with a reasonable grouping of holdings under 200,000 shares. Distribution of preferred stocks and bonds need not be so widespread, but the character of the market and price range of a security prior to its admission to Big Board trading are important considerations.

Applicants must be ready to supply the exchange with net earnings for the past ten years, their latest available income and surplus accounts and balance sheet, and copies of annual reports for five years back.

Also, they must agree, if their securities are listed, to keep security-holders and the public adequately informed concerning their affairs. This required information includes publishing of quarterly earnings reports.

• **Two Payment Plans**—Companies listing securities on the Big Board are permitted to pay their listing fees in one of two ways.

Schedule A calls for an initial listing fee of \$50 per 10,000 shares, or at least \$2,000. Also, a continuing annual fee for 15 years of \$75 per 100,000 shares or \$200, whichever is greater, though this continuing fee is but \$50 per 100,000 for all outstanding shares in excess of 2,000,000.

Schedule B requires an initial payment of \$120 per 10,000 shares, or not less than \$5,000, at time of listing and no continuing fees.

• **Withdrawal Rules**—The cost of printing the listing application, ordinarily around \$300, is borne by the applicant, and companies listing securities must maintain transfer and registration facilities in New York City to facilitate the transaction of business.

In the absence of special circumstances, a security cannot be withdrawn from Big Board listing unless such a request is approved by at least 66⅔% of the outstanding issue and less than 10% object to delisting.



Grandma Knew Just What To Do... AND HOW TO DO WITHOUT

Scraps, nails and string... paper, fats and fuel... anything and everything that could serve another time or another purpose was saved by our ancestors as a matter of dire necessity. The frugality of America's rugged pioneers helped to win battle after battle in our nation's history.

Today, our country asks us to practice that same frugality to help win the war, to save our way of life and to protect

our freedom of opportunity for every American family.

Peace and the change-over from war-stimulated activity will pose many problems to challenge the ingenuity of every one of us. Fortune will favor the family that has learned to save and has bolstered its future by the purchase of War Bonds. It's so much sounder to save than to wait to be saved.

Anheuser-Busch produces materials which go into the manufacture of: Rubber • Aluminum • Medicines • B Complex Vitamins • Hospital Diets Baby Foods • Bread and other Bakery products • Vitamin-fortified cattle feeds • Batteries • Paper • Soap and Textiles—to name a few.

Budweiser

TRADE MARK REG. U. S. PAT. OFF.



REMINDER FOR THRIFTY HOUSEWIVES:

There's nourishment in simple, wartime meals, but, to make them taste better—simply serve the world's most popular beer—cold, bubbling Budweiser.

© 1944

A N H E U S E R - B U S C H . . . S A I N T L O U I S

The way to FASTER and BETTER Office Work

Only the most efficient tools can be used in the war effort. This is just as true in the office as in the shop. For office and shop paper work, quality papers are the "tools" that produce *better results faster*.

Every day, all over America... *Parsons Papers* are stepping up production. Faster and better paper work is being turned out because these quality papers increase clerical efficiency. Their cotton fiber basis provides a faster working surface that types clearly, erases cleanly and resists handling.

Write today for Demonstration Folder of these superior business papers and see how they can be used in your business.

PARSONS PAPER COMPANY
Holyoke, Massachusetts

Parsons Paper

Specialized for Modern Business

Banks Look Ahead

Formation of credit pool is big news at A.B.A. meeting. New president has background as emissary to Washington.

Wall Street's ambassador to Washington, W. Randolph Burgess, has now become the emissary of all banking to the nation's capital. He took on this unofficial title at the close of the American Bankers Assn.'s brief, streamlined convention at Chicago last week when he became the association's president.

• **Drafted Credit Policy**—Prior to becoming vice-chairman of the National City Bank of New York in 1938, Burgess for many years had served New York's Federal Reserve Bank. He also had been the dominant personality on the Federal Reserve Board's open-market committee, the group that drafts fundamental credit policy for the nation's banking system.

With this background, he naturally has been considered contact man between the financial market in New York and the monetary authorities in Washington.

• **Rathje Elected**—Burgess succeeds A. L. M. Wiggins, president of the Bank of Hartsville, S. C., as A.B.A. chief. And, in the formal line of succession, Burgess will in turn be succeeded a year hence by Frank C. Rathje, president of the Chicago City Bank & Trust Co. and the Mutual National Bank, who was named A.B.A. vice-president.

The convention discussed the inter-

national monetary fund and world bank plans, the Bretton Woods proposals (BW-Jul.29'44,p17) being termed complex and unclear by Burgess in his acceptance speech. However, no decision has been reached by the A.B.A. on the merits of the plan proposed and it still remains the subject of close study by a special committee.

Resolutions were passed reiterating the need for a balanced federal budget at the earliest possible date, a postwar tax structure which would encourage private enterprise and provide employment, and a vigorous and independent banking system.

• **Banks Form Pool**—Probably the convention's most momentous news, however, was the announcement that 23 New York City banks had organized a \$100,000,000 credit pool to extend aid to small and medium-sized businesses in the postwar period (BW-Sep.30'44 p21). This is in line with the aims of the association's active postwar small business credit commission to make A.B.A. members a potent factor in the reconversion and reconstruction program (BW-Aug.19'44,p66).

Formation of the Bank Credit Group of New York City was announced at the convention by the commission chairman, Robert M. Hanes, head of North Carolina's Wachovia Bank & Trust Co., former A.B.A. president. The pool was described as the first major step taken by member institutions to implement the commission's constructive work on the problem.

• **Other Groups Planned**—Hanes pointed out that neither the new New York City credit pool nor the similar regional groups soon to be organized will directly solicit any loans. Local banks will be encouraged to go after the



Discussing the American Bankers Assn.'s postwar plans are two "generations" of presidents and a future one (left to right): A. L. M. Wiggins,

retiring president; Frank C. Rathje, vice-president who'll succeed to the top spot in 1945; and W. Randolph Burgess, the new head.

small-loan business in their neighborhoods. The local institutions will have the assurance that if they are not in a position, either directly or in cooperation with correspondent banks, to provide all the credit needed they can then turn for assistance to their regional credit pool.

No "bad" or "reckless" loans are in the picture. The local originating bank must participate in every loan accepted by its regional credit pool. It must also service the loans it originates for a compensation to be agreed upon and must issue participation certificates therein to member banks joining in the loan.

• **Plan Is Explained**—To make sure that "every competent man, firm, and cor-

poration that needs bank credit can obtain it in adequate amounts and for a sufficient time," the commission has been holding regional meetings with bankers for the purpose of providing them with first-hand information on the commission's program, its policies, and its procedure.

Meetings have already been held in Boston, Cincinnati, and Chicago. Additional conferences will soon be held also in Richmond, Va., San Francisco, Denver, Dallas, New Orleans, and New York City.

Already, according to delegates at the A.B.A. convention, a \$21,000,000 credit pool is about to be set up in Louisville. Others are in the process of formation

The Nation's Largest Industrial Enterprises

Forty-one American business enterprises had assets of \$1,000,000,000 or more at the close of 1943, compared with 38 in 1942 and only 32 in 1941. The group included nine insurance companies, 16 banks (BW—Jul. 22 '44, p. 63), and 16 industrial, rail, and utility corporations.

The American Telephone & Telegraph Co. is no longer the No. 1 company. Now on top is Metropol-

itan Life Insurance Co., for years the runner-up. However, A. T. & T. is still largest in the nonfinancial field.

The 16 nonfinancial enterprises rated largest on the basis of 1943's war-swollen revenues or sales include relatively few members of the "Billion-Dollar Club."

The nonfinancial companies with total consolidated assets in excess of \$1,000,000,000 are:

	Assets Dec. 31, 1943	as of Dec. 31, 1939	Gain since 1939
American Tel. & Tel. Co.	\$6,313,000,000	\$5,227,000,000	11%
Pennsylvania R.R.	2,812,000,000	2,359,000,000	19%
Standard Oil Co. (N. J.)	2,328,000,000	2,035,000,000	14%
General Motors Corp.	2,265,000,000	1,323,000,000	71%
Southern Pacific System	2,237,000,000	1,908,000,000	17%
U. S. Steel Corp.	2,106,000,000	1,769,000,000	19%
New York Central R.R.	2,102,000,000	1,820,000,000	15%
Atchafalaya, Topeka & Santa Fe R.R.	1,561,000,000	1,310,000,000	19%
Union Pacific R.R.	1,456,000,000	1,219,000,000	19%
Consolidated Edison Co. (N. Y.)	1,421,000,000	1,353,000,000	5%
Baltimore & Ohio R.R.	1,323,000,000	1,207,000,000	10%
Commonwealth & Southern System	1,202,000,000	1,143,000,000	5%
E. I. du Pont de Nemours	1,115,000,000	858,000,000	30%
Bethlehem Steel Corp.	1,045,000,000	733,000,000	42%
Socony-Vacuum Oil Co.	1,030,000,000	930,000,000	11%
Ford Motor Co.	1,009,000,000	692,000,000	24%

The 16 nonfinancial leaders on basis of annual sales or revenues are:

	1943	1939	
General Motors Corp.	\$3,796,000,000	\$1,377,000,000	176%
U. S. Steel Corp.	1,977,000,000	904,000,000	119%
Bethlehem Steel Corp.	1,903,000,000	414,000,000	360%
American Tel. & Tel. Co.	1,648,000,000	1,107,000,000	49%
Swift & Co.	*1,490,000,000	*757,000,000	97%
Armour & Co.	*1,417,000,000	*715,000,000	98%
General Electric Co.	1,358,000,000	305,000,000	345%
Gt. Atlantic & Pacific Tea Co.	*1,311,000,000	*990,000,000	32%
Standard Oil Co. of N. J.	1,303,000,000	934,000,000	40%
Curtiss-Wright Corp.	1,295,000,000	49,000,000	2,543%
Douglas Aircraft Co.	988,000,000	28,000,000	3,429%
Pennsylvania R.R.	980,000,000	431,000,000	127%
Chrysler Corp.	886,000,000	550,000,000	61%
Sears, Roebuck & Co.	†853,000,000	†617,000,000	38%
Consolidated Vultee Aircraft Co.	†831,000,000	†15,000,000	5,444%
Bendix Aviation Corp.	823,000,000	42,000,000	1,860%

* Fiscal years ending in October.

** Fiscal years ending Feb. 28, 1944, and 1940.

† Fiscal years ending Jan. 31, 1944, and 1940.

‡ Fiscal year ending Nov. 30, 1943 and combined sales of old Consolidated and Vultee companies in 1940.

(Ford Motor Co. and Aluminum Co. of America may properly belong in this group but no sales figures are available.)



Watch Dog
REG. U.S. PAT. OFF.

Lasts Five Times Longer

One reason why maintenance men are replacing with General Electric's popular Watch Dogs is because of their unusually long life. Under specified test conditions the FS-40 outlasts an average of ten 40-watt lamps, the FS-100... eight 100-watt lamps. The G-E Watch Dog lasts five times longer than ordinary fluorescent starters.

Reason For Its Long Life

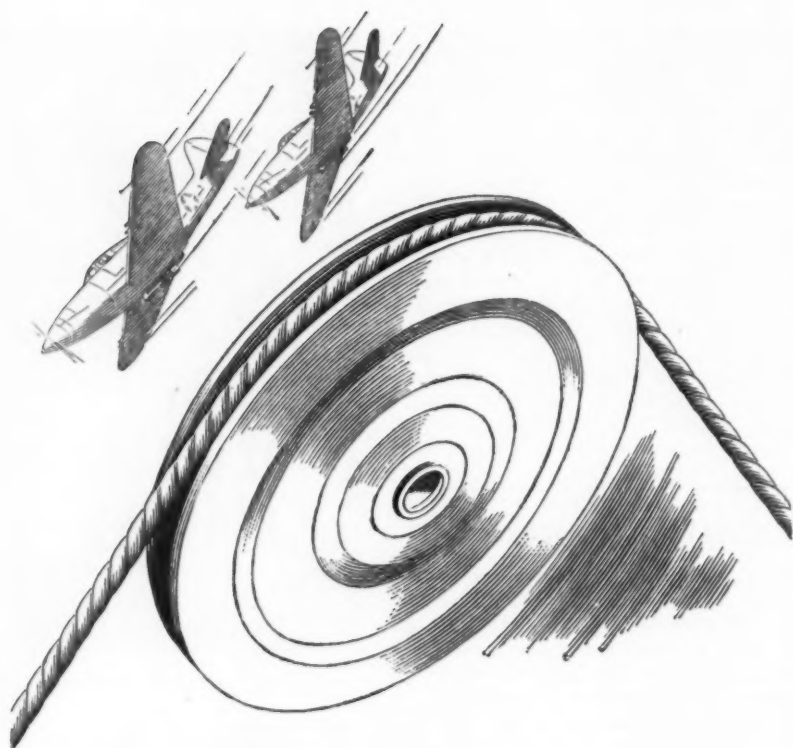
Ordinary starters wear themselves out prematurely because they continue to make futile starting attempts when a lamp begins to die. This is not so with the G-E Watch Dog because it cuts itself out of the circuit as soon as a lamp reaches the end of its useful life. Since there is no flow of current, burned-out lamps are prevented from being started needlessly and the Watch Dog's life is greatly prolonged.

Hear the General Electric radio programs: "The G-E All Girl Orchestra" Sunday 10 P.M. EWT, NBC. "The World Today" news every weekday 6:45 P.M. CBS.

BUY WAR BONDS AND KEEP THEM

For additional information write to Section G1041-102, Appliance and Merchandise Dept., General Electric Company, Bridgeport, Conn.

GENERAL ELECTRIC



... And Aircraft Pulleys Operate More Easily— thanks to NEEDLE BEARINGS

Yes, there will be new ease and "feel" to plane controls... a quicker response to the pilot's touch... a little more "edge" on the opposition. The reason for *this* plane improvement is found in aircraft pulleys equipped with Torrington Needle Bearings—specially designed to meet the rigid requirements and specifications* of our latest military planes.

Friction has been cut to a minimum through the use of a double row of small diameter needle rollers—all assembled to provide a single, compact unit that saves space and weight. Efficient lubrication, high load capacity, exceptional stability and unusual resistance to friction under misalignment, are all plus features! And simplicity of design offers

every anti-friction advantage at minimum cost.

This is another application of Needle Bearings which illustrates how they can be readily adapted to meet new requirements with improved performance and lower cost.

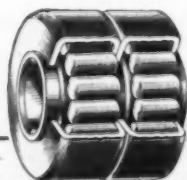
Test data on the performance characteristics of PN Needle Bearings in aircraft pulleys is available on request. Or if you're interested in adapting the anti-friction advantages of Needle Bearings to a new design, our engineering department will gladly work with yours in selecting the size and type to meet your requirements.

*Fully complies with Specifications AN-FF-P-796

THE TORRINGTON COMPANY

Established 1866 • Torrington, Conn., South Bend 21, Ind.
"Makers of Needle Bearings and Needle Bearing Rollers"

New York • Boston • Philadelphia • Detroit
Cleveland • Seattle • Chicago • San Francisco
Los Angeles • Toronto • London, England



TORRINGTON NEEDLE BEARINGS

in Atlanta, Boston, Philadelphia, and Chicago and in Connecticut.

• **A.B.A. to Advise**—Management of all the credit pools organized will remain entirely in the hands of local groups. The A.B.A. credit commission will serve only as an educational and informational clearing house.

Strength in Unity

Continental Industries is uniting well-established small businesses to bolster postwar prospects, share planning.

A new method for meeting the postwar hazards to small business is being demonstrated by Continental Industries, Inc., New York. Continental is a management and finance concern which buys up well-established small or medium-sized manufacturers and provides them with top executive talent. Thus, a number of companies can combine to acquire skills in finance, renegotiation, reconversion, product redesign, market planning, and salesmanship comparable to their big competitors.

• **Buys Tool Company**—Last month Continental Industries announced the purchase of its eighth company, the Quality Hardware & Machine Corp., Chicago, makers of machine tool products and metal stampings. Other members of the family are Franklin Machine & Foundry Co., Providence; A. W. Harris Oil Co., Providence; Kensington Shipyard & Dry Dock Corp., Philadelphia; Walsh Holyoke Steam Boiler Works, Holyoke, Mass.; Liberty Motors & Engineering Corp., Baltimore; Braeburn Alloy Steel Corp., Braeburn, Pa.; J. Sullivan & Sons, Philadelphia (makers of tapes and bindings). Other firms will be added. The eight already acquired have a total annual output of some \$150,000,000, average about 600 employees each.

Quality Hardware will continue to make tools, dies, jigs, gages, special machinery. But plans are already set for postwar expansion of output through a line of home appliances.

• **Bolles Is Chairman**—Head man of Continental Industries is Chester A. Bolles (no kin to Chester Bowles of the Office of Price Administration). Bolles was born in 1901, graduated from Dartmouth where he was halfback on the football team and captain of the swimming team. His first big job was vice-president in charge of sales for Fownes Bros. & Co., glove manufacturers.

Later Bolles went to the Royal Battery Corp., of which he became president. Thereafter he bought into Frank-

lin Machinery & Foundry Co. All of Franklin's capital stock was later transferred to Continental Industries.

● **Knowledge Is Shared**—Bolles is chairman of the board of Continental and is said to be its sole owner. The manufacturing companies are taken over on a 100% ownership basis. Bolles looks for companies that are in healthy condition and have definite promise for postwar sales. He prefers plants that are competently operated so that he can take along the management with the property.

Head executives of the underlying companies will make up committees that will help pilot the combined organization. In this way all plants will receive the benefits from the specialized knowledge of individual staffs. The first three committees will take up export sales, jobs for veterans, postwar product planning. Initial meetings of these groups will be held late in October.

● **Favors Government Aid**—In recent pronouncements, Maury Maverick, head of the government's Smaller War Plants Corp., has demanded that Uncle Sam provide special research and management services for the little businessman. Bolles is not afraid of government's part in business and echoes Maverick's philosophy:

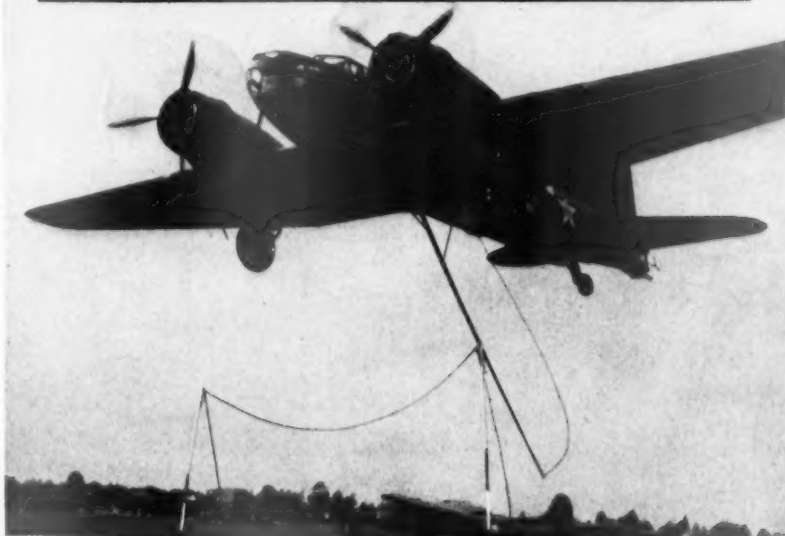
"Government agencies are now in possession of a wealth of material on the basis of which governmental advisory assistance to private business management can and will have substantial favorable bearings upon future operations. I see no reason why the government, through the Dept. of Commerce or some other agency, could not continue its laboratory work in business



Carl A. Laystrom, chairman of the Quality Hardware & Machine Corp., signs over his firm to the finance-management control of Chester A. Bolles and his Continental Industries.

IN THE NEWS

WITH TORRINGTON BEARINGS

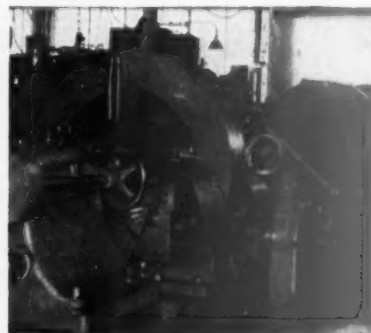


Official Photo U. S. Army Air Forces

FLYING OVER 100-MILES AN HOUR this Army pilot of a Douglas B-23 tow plane is about to pick-up a 15-place glider. As the tow plane comes in, the arm of a pick-up device, manufactured by A.J. American Aviation, Inc., is lowered to catch the suspended tow line shown in the foreground. Torrington Ball Thrust Bearings were specified for installation in the mechanism of the pick-up, because of their capacity to withstand the severe and sudden shock loads encountered in the operation.



ROLLING STEEL SHEETS, this three-hi roughing breakdown sheet mill, built by Lewis Foundry & Machine, is equipped with two-row tapered roller bearings, supplied by Torrington's Bantam Bearings Division. With each row employing 34-rollers, 1 1/2" long and 1 3/32" in diameter, these bearings have a radial load capacity of 216,200 pounds; a thrust load capacity of 148,900 pounds at 100 R.P.M.



TURNING CRANKSHAFTS to precision limits is the important operation performed by this machine tool manufactured by the Hall Scott Motor Car Company. Because of heavy loads encountered during operation, two Torrington Ball Radial Bearings were selected for installation in the center drive assembly. The bearings have an outside diameter of 34"; an inside diameter of 27", and are 3 1/2" wide.

MEETING UNUSUAL REQUIREMENTS for large or special type bearings is an important part of the service of Torrington's Bantam Bearings Division. For today's anti-friction applications or for assistance in planning postwar designs—TURN TO TORRINGTON.

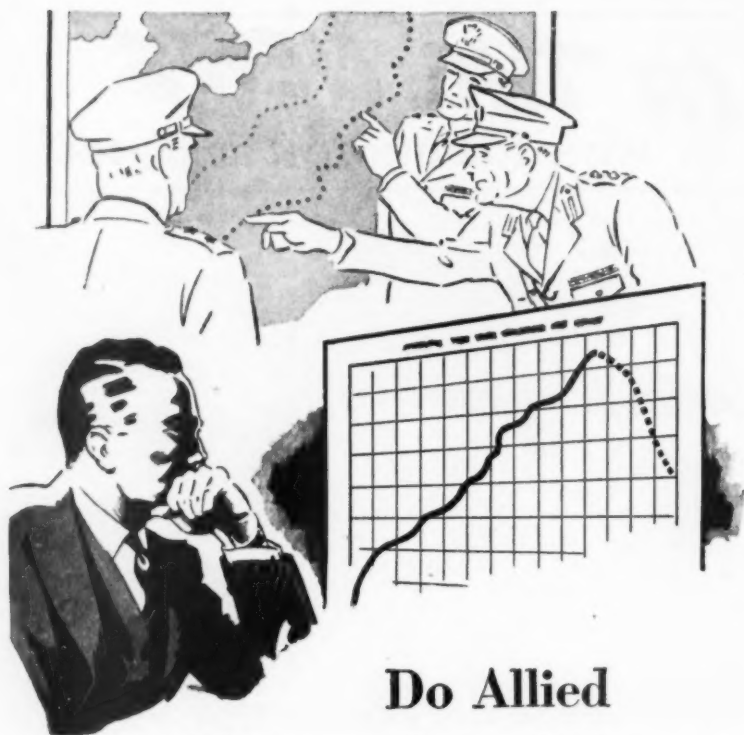


TORRINGTON BEARINGS

STRAIGHT ROLLER • TAPERED ROLLER • NEEDLE • BALL

THE TORRINGTON COMPANY • BANTAM BEARINGS DIVISION

SOUTH BEND 21, INDIANA



Do Allied Military Gains bring you closer to Credit Losses?

Each item of good news from overseas emphasizes an impending business risk! Transition from war to peace will be full of uncertainties and upsets. War industry's shutoffs, layoffs and payoffs will jolt many a business. But what companies will be hit? How hard? How soon? Nobody knows.

On one point, however, you can be sure: *With American Credit Insurance, your accounts receivable will be protected... now... and in the uncertain future.*

American Credit Insurance GUARANTEES PAYMENT for goods shipped... pays you when your customers can't... keeps you from worrying and waiting indefinitely for settlement... puts a definite cash value on your accounts receivable.

Manufacturers and wholesalers in over 150 lines of business now carry American Credit Insurance. You need it too. For further information, write for our booklet, "The A-B-C of Credit Insurance." Address: American Credit Indemnity Company of New York, Dept. 42, First National Bank Building, Baltimore 2, Maryland.

J. G. F. Fisher
President



**American
Credit Insurance**
*Pays You When
Your Customers Can't*

OFFICES IN PRINCIPAL CITIES OF UNITED STATES AND CANADA

management and render advisory services to industry generally—just as the government has done research and laboratory work in farming and farm management."

• **A Trend Emerges**—There are suggestions in the Continental Industries idea that may have a bearing on the broader small business picture. To such manufacturers it applies the good old maxim, "In unity there is strength." The merging of plant activities under Continental Industries is another manifestation of a trend by smaller companies, fearful of the shock that will come when war orders dry up, to merge or sell out while the going still is good.

Wall Streeters are watching with interest the acquisition by large companies of smaller concerns which promise to extend the purchaser's peacetime markets.

Rail Rate Probe

ICC to begin a complete check of freight charges. Net earnings drop 27% from first seven months of last year.

The Interstate Commerce Commission has ordered a complete re-examination of the railroads' freight rate structure on the basis of present and possible future earnings prospects. Hearings will begin Oct. 22 to decide whether the suspension of the 1942 emergency freight rate increases shall be extended beyond Jan. 1, present expiration date.

• **May Set the Pattern**—No halfway measure is anticipated. Railroad men expect ICC either to cancel the 1942 rate increases permanently or to restore them. And the decision is expected to set the pattern for several postwar years.

Recently, a joint petition calling for the permanent cancellation of the 1942 rate increase was filed with the ICC by the national and the southeastern associations of railroad and utility commissioners, 16 individual state commissions, and the states of Iowa and North Dakota on the grounds that the railroads would definitely have no possible need for any higher rates while the war lasted or for six months thereafter.

• **Some Improvement**—The war has brought about a considerable change for the better in the financial condition of the whole rail industry. For it is estimated that the Class I carriers since the beginning of 1941 have been able to retain nearly \$2,000,000,000 of their earnings in the business.

Working capital, but \$400,000,000

The great cake mystery...



ONE morning back in 1913, a young scientist at Corning Glass Works appeared at work and offered cake to his friends. They admitted it was fine. But why cake? And in the morning, too!

The answer was simple. The young scientist had been trying to argue that food would cook better in glass. His friends laughed. So one day he cut the bottom off a glass battery jar, took it home, and asked his wife to try cooking in it. That was the beginning of Pyrex Ovenware. Moral: Don't laugh at bright young men with ideas. They may lead to something.

Over the years Corning research has sort of made a specialty of ideas. A lot of them have led somewhere. For example, years ago Corning scientists thought colors in railway signal glassware could be improved

so that, for one thing, they would be clearly distinguishable in all kinds of weather. Colors had varied and were not always dependable before. Today railroad, marine, and air traffic moves on standardized colors which Corning helped establish.

Recently the armed services wanted dinnerware, for camps, that would stand hard knocks and could be produced in huge quantities. Corning Research and production gave them cups and dishes that met the need on both counts.

In peacetime, Corning was a place where you'd go with tough problems for glass. It was good training for the war role that Corning is now playing, fitting glass into jobs that glass can do best with all the know-how of 93 years of glass-making. If you still have a war-plant

problem that glass might help solve, we'll be glad to hear from you about it. And when your peacetime plans reach the drawing board stage, why not talk them over with us, too? Corning Glass Works, Department 410-B, Corning, N. Y.

CORNING
— means —
Research in Glass

CALIFORNIA CALLING...



Yes, California is calling to business and banking executives throughout the Nation... calling with a message of present and post-war opportunity that is commanding attention everywhere. California is the West's greatest market, and in the development of their interests in this market many of these executives are finding that the unique statewide services of this bank offer numerous advantages. Your inquiries are cordially invited.

CAPITAL FUNDS . \$ 171,776,392.04
DEPOSITS . . . 3,767,443,322.19
RESOURCES . . 3,973,493,006.15
(As of June 30, 1944)

California's statewide bank

Bank of America
NATIONAL TRUST AND SAVINGS ASSOCIATION

Member Federal Deposit Insurance Corporation
Member Federal Reserve System

Main offices in two reserve cities of California... San Francisco - Los Angeles

on Jan. 1, 1941, was in the neighborhood of \$1,660,000,000 on June 1944. Some rail authorities believe yearly fixed interest requirements of industry will soon run some \$38,000 under prewar requirements.

• **Costs Are Rising**—Nevertheless, earnings are a temporary phenomenon. The peak was reached some time even though it was followed by rise of monthly revenues to record breaking levels. Operating costs continued to mount, and the tax has become increasingly heavy because of higher rates and exhaustion of tax over credits.

Operating costs in July, for example, increased \$59,000,000, more than setting the \$18,000,000 gross revenue gain, as well as lower tax accruals and fixed charges. Earnings dropped \$58,500,000 compared with the \$9,000,000 profit for July, 1943.

• **Net Income Off**—July was the thirteenth consecutive month in which Class I carriers' net income has been below levels of the preceding year. Earnings in the first seven months of 1944 were only \$381,000,000, or 25% less than for the similar 1943 period.

The rate of return on the Class I roads' property investment, according to the Assn. of American Railroads, slumped to only 4.30% in the two months ended July 31, in sharp contrast to the 6.07% for the previous similar period.

August operating statements indicate that this trend is continuing, as 20 rail systems reported net operating income almost 34% less than a year ago.

• **Freight Drop Foreseen**—Rail management generally has no illusions about the sharp drop in freight traffic that is likely when the war in Europe ends, particularly for the eastern carriers.

And some rail securities investors believe that earnings (before taxes) may decline as much as 30% during the conversion period, and that 1945 net income if tax rates aren't lowered—may drop between \$400,000,000 and \$500,000,000, compared with the \$650,000,000 to \$700,000,000 net now foreseen for 1944 and with the profits of \$874,000,000 in 1943 and \$902,000,000 in 1944.

Thus far the railroads have announced no decision as to the state they will take at the ICC hearings.

• **Favors Waiting**—One influential group, however, is said to favor a policy of watchful waiting until the ICC has completed its hearing on the petition for outright cancellation of the freight rate increases. If events the next few or five weeks indicate that V-E peace won't come until spring, this group believes that the request for higher freight rates could well be pushed back some months.

PRODUCTION

Self-Lined Fabric

Garment manufacturers show interest in two-faced cloth and other wartime developments for use in civilian goods.

In few fields have the needs of the armed forces stimulated more developments in cooperation with the Army Quartermaster Corps (BW-Mar. 4'44, p47) than in the textile industry, in which wartime innovations await only the end of the war for use in civilian goods.

• **No Lining Needed**—For example, garment manufacturers are giving interested attention to a two-faced wool and rayon fabric in which the lining is an integral part of the goods.

This fabric, called Sunbak (William Skinner & Sons' trade name), is expected to achieve wide popularity after the war because, by eliminating sewn-in lining, it will simplify manufacturing.

• **Prewar Foundation**—Sunbak's present job is to keep U. S. flyers comfortably warm at fighting altitudes of 30,000 ft.

Like some other wartime textile developments, Sunbak is built on prewar foundations. It is an outgrowth of tackle twill, first popularized when the late Knute Rockne trotted out his Notre Dame football teams in shiny, satin-like knee pants.

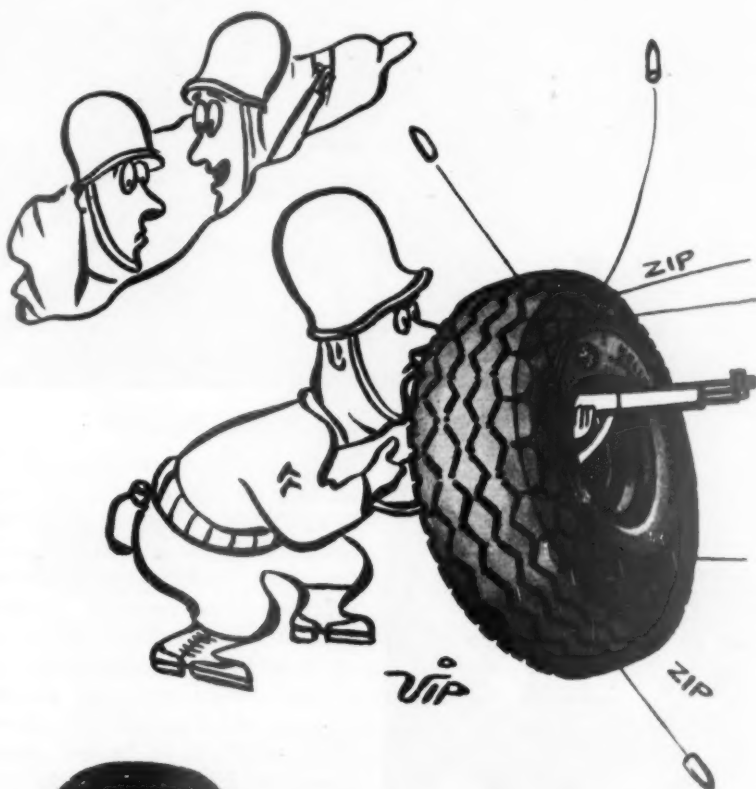
Postwar possibilities for Sunbak are sports clothing (particularly the California-type jackets), all sorts of outdoor wear, bed jackets, and bath robes. United States Testing Co. comparisons are cited to show that Sunbak's self-lining in an overcoat saves 11% in weight, and is 20.8% warmer than a conventional, fully lined coat.

• **New Idea in Socks**—Another new idea, which seems destined for wide postwar acceptance, is cushion-sole socks. The cushion consists of terry stitches like the pile on a Turkish towel. Golfers and tennis players will be told the cushion will prevent blisters, and absorb perspiration.

Wartime developments, in the opinion of some Army Air Forces procurement officers, may displace sheepskin-lined coats as regular winter equipment. The Air Forces find pile fabric linings preferable; their purchases of sheep-lined garments have been discontinued.

• **Clothes in Layers**—A more familiar development that looks promising for postwar markets is the Quartermaster Corps' discovery of the layer principle—

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DO YOU KNOW ABOUT ARMORUBBER?—You ought to in these days of tire scarcities. For Armorubber is tough. It's the tread rubber made by Kelly's unique method of compounding. This superior process gives tires longer wear—gives you greater mileage. It requires extra operations, plus the extra craftsmanship that is a Kelly tradition. It makes tires go extra far, last extra long. Gruelling road tests prove that. And you'll prove it yourself when your trucks roll on Kelly Armorubber. Your Kelly dealer will help make your present tires last.

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KEEP ON BUYING WAR BONDS



BIG BOLTS NEEDED

Among public projects suspended by war and now awaiting a nod from WPB is New York's \$75,000,000 Brooklyn-Battery auto tube which lacks only 790 tons of bolts for construction to be resumed. Commissioner W. H. Friedman (left) of the city tunnel authority displays the type of bolt needed to couple cast-iron segments which line the hole (above). With 4,000 ft. of tunnel already driven, the 2.1-mile underwater highway will employ 3,000 for three years.

several light garments in place of one heavy coat to give winter sports devotees freedom from weight.

One combination: self-lined alpaca-mohair pile jacket and trousers for insulation, with an outer shell of Byrd cloth or 9-oz. sateen, wind resistant and water repellent.

• **Civilian Applications**—Uniformed bus drivers, delivery men, and service station attendants are beginning to get the benefit of Army specifications, in clothing made from released Army fabrics.

Army 8½-oz. herringbone twill makes grease-monkey suits; 6-oz. twill has been released for work shirts; good quality work trousers can be made from 8.2-oz. uniform twill or from 9-oz. Army sateen.

Nylon marquisette, used for mosquito bars, is considered desirable curtain fabric. Army 9-oz. sateen could be printed in flower designs for drapery and upholstery material.

• **From Blimps to Dresses**—Balloon cloth, developed by the Army for blimps

and later used for life rafts, sleeping bags, and mountain tents, can be made into women's dresses, handbags, and umbrellas. Window screening has become a textile field, in which nylon, Saran, and Plexon will compete with metal wire.

Plastic-bonded web bandages, incorporating an antiseptic, realize the dream of some believers in the future of synthetics, in the production of a fabric without weaving. Antiseptic is impregnated in the plastic coating. Chicopee Manufacturing Co. has developed inexpensive fabrics for such uses as "throwaway curtains" (BW—Jul. 1'44, p44).

• **Industrial Uses**—Military fabrics hold promise for new industrial uses. Fiberglass cloth, with batts bonded to nylon, are used on landing barges for insulation and for sound proofing. This combination may find its way into postwar prefabricated houses.

Rip-stop weaves, with heavy and light cords checkerboarding a fabric, were de-

veloped for lightweight parachutes; they are expected to be useful in lightweight umbrellas and awnings. Nylon rope, developed for glider towing, may be sold for emergency tow lines on small boats; it's strong, small, light, and salt water-resistant. Bonded layer fabrics of great strength were developed for life rafts; they make strong, lightweight conveyor belts, too.

• **New Coatings—Finishes** to make textiles mildew-proof, fire and flame-proof, and water-repellent, and the extensive use of synthetic resin and synthetic rubber coatings have been prominent in the production of fabrics for war. All four types of finishes are expected to find extensive postwar civilian applications.

To the mildew-proofing Dowicides in use before the war, wartime research has added other nontoxic finishes such as the Puratize compounds which may be incorporated into water-repellent finishes in order to add mildew resistance to fabrics.

For fire and flame resistance, as well as water repellency, large quantities of chlorinated paraffin are being manufactured and applied to industrial fabrics. Mass production has brought down the cost so it is no longer prohibitive. Zinc borate and other inorganic pigments also can be used with binding agents to give relatively permanent fire resistant qualities to fabrics.

• **Lower Costs**—When Army decided that most of its outerwear garments ought to be water-repellent, consumption of du Pont's Zelan jumped from hundreds of pounds to thousands.

Another durable-type water-repellent finish, Norane, made by Warwick Chemical Co., has been developed since the war. Millions of yards of poplin, sateen, and other fabrics have been Zelan and Norane treated for the armed services; this also implies lower cost possibilities for the civilian market, due to the use of mass-production techniques.

• **Stain-Proof Tablecloths**—Ethyl-cellulose, vinyl, and other resins have been used for waterproofing treatments, as have the synthetic rubbers, for anything from a soldier's slicker to tarpaulins. Postwar translations are expected to include stain- and moisture-proof tablecloths, awnings, outdoor furniture coverings, and moisture-proof, odorproof bags for food storage and other industrial uses.

Resins known to the technicians as urea-formaldehyde and alkyd types produce flexible, pliable fabric coatings. These and the newer melamine formaldehyde resins have been found particularly useful in the shrinksetting of wool blankets, woolen underwear, sweaters, and socks.

Fish Leather

Experiments seek a field for fishskins in coin purses and other small products. Reduced processing cost is sought.

Future competition for traditional leathers may be foreshadowed by experiments on the tanning of fishskin now being conducted at the Engineering Experiment Station of the University of New Hampshire.

• **Possible Uses**—Leather experts feel that there would be a definite field for fish leather in small limp-leather products such as belts, billfolds, coin purses, cigarette cases—if a practical and economical method of processing could be worked out. Enthusiasts even discuss its use in women's shoes and handbags, forecasting that it would prove popular because of its "new and natural design." And the proximity of the source of supply to New England's leather-processing centers is a big point in its favor.

Fish leather is being used now in Germany and Italy, according to Harold P. Smith of the Boston regional office of the U. S. Dept. of Commerce, for both shoes and smaller leather goods. The leather has proved too flexible for use alone, and fishskin shoe uppers have had to be backed with stronger material, while women's purses require a stiffener between leather and lining.

• **Similar to Animal Skin**—There is not too great a difference, for leather-making purposes, between fish and animal skins. Both have genuine leather-forming fibers. One big point in favor



Ruinous to skins and hazardous to health are the sharp-pointed forks that the fish handlers insist upon using.



Labor costs may rise & fall—

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Heppenstall Forgings

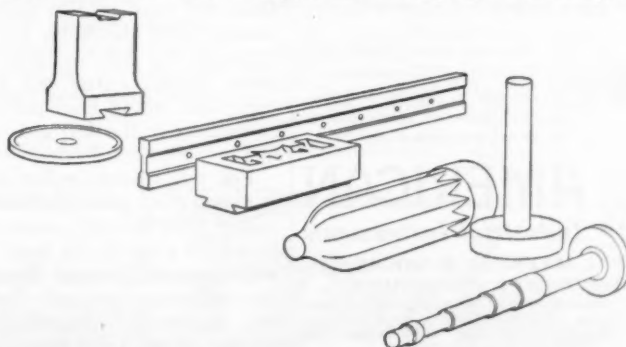
HERE's a post-war plan that will work no matter what happens.

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AMERICAN
Industrial Instruments

of fishskins is that they contain no natural grease—and degreasing is one of the major jobs in a tannery.

But fishskins do have scales. Descaling by mechanical means (scraping the scales off, as for cooking) is likely to damage the fibers. One of the problems now being worked on at New Hampshire is to find chemicals which will remove the scales without harming the leather.

Another problem standing in the way of mass production is the comparatively small size of individual skins. Specially built equipment would almost certainly be required to handle them.

• **Efforts Have Failed**—Efforts to commercialize fish leather have been undertaken several times in the past. But only shark leather, used for such purposes as shoe tips, luggage corners, and loom straps, where its scuffproof qualities are valuable, has made the grade (BW—Nov. 6 '43, p. 54). Attempts to use the smaller food fish—cod, halibut, ocean catfish—have failed.

The greatest drawback has been supply. There are more than enough fish caught, but the methods commonly used to get fish to the American market ruin the skins for leather-making.

• **Forks Ruin Skins**—One big difficulty is the habit, old as the deep sea fishing fleet itself, of forking the fish when unloading at docksides. The fork punctures not only ruin the skins for use as leather, but also create a definite health hazard, in that bacteria can more easily attack the flesh. For this reason forking has been prohibited time and again by wholesalers, but habit is strong, and the ban has never stuck.

Another major problem is to shorten the length of time between the catch and delivery to the tannery. For best results, fish should be skinned the day they are caught, and the skins thoroughly worked with fine-grain salt. Even when properly treated, they must be protected by adequate refrigeration until they reach the tannery to prevent the fibers from breaking down.

• **Boats Out Two Weeks**—But New England fishing ports are a long way from the banks. Fishing boats stay out from ten days to two weeks, not returning until the holds are full. And although the fish are salted and iced when caught, coarse salt is generally used, and salting loses much of its effectiveness if the fish are not skinned first.

For this reason, earlier experiments in fish leather generally used skins imported from Iceland, where the fishing fleet is on a day-to-day basis.

• **Commercial Interest Shown**—Among the companies currently interested in the commercial possibilities of fish leather are the John Metz Leather Co.



First step in preparing fishskin leather is to preserve the "hides" by working them thoroughly with a fine-grain salt.

of Boston, which is working with one big tanner in an attempt to produce embossed fishskins for women's shoes, and the Rowland Marine Products Co. of Salem, Mass., which is experimenting with the deodorizing, tanning, and embossing of cod, haddock, and sea leopard.

LATERAL WELLS PRODUCE

In six months of operation, Pennsylvania's first horizontal oil wells (BW—Dec. 4 '43, p. 66) have produced an average of 28 gal. per acre daily, according to Leo Ranney, originator of the horizontal recovery technique.

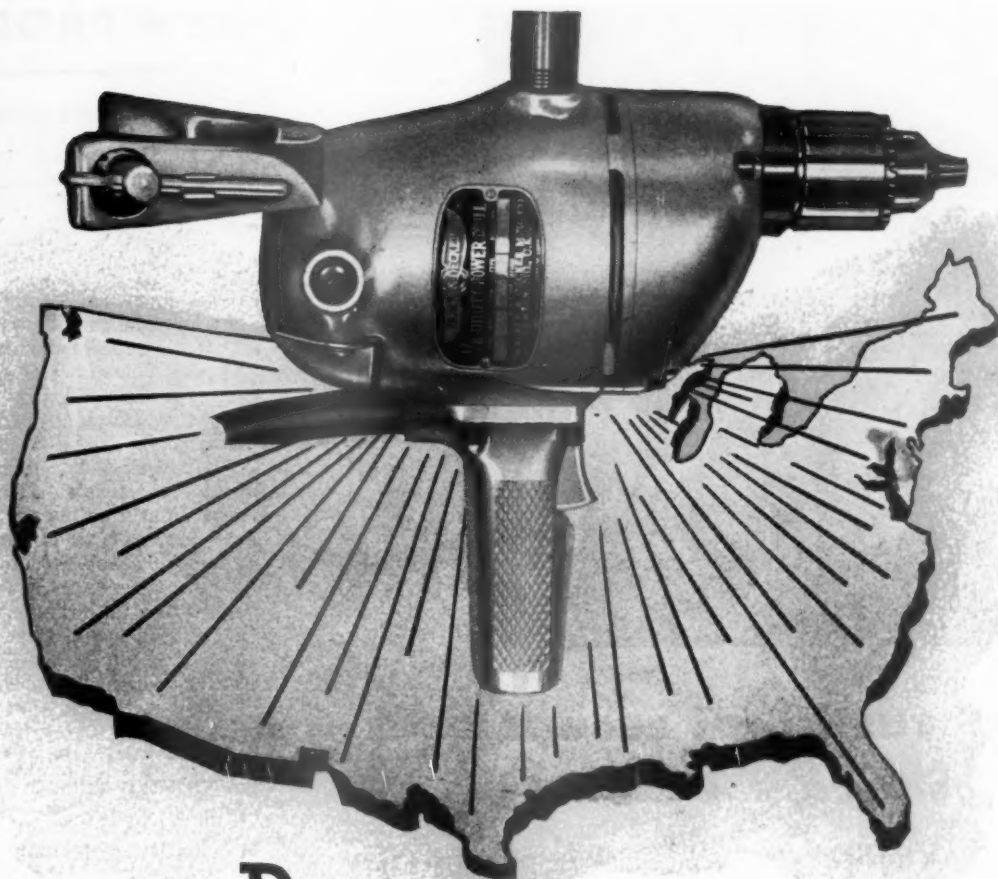
The horizontal wells jut out from a single vertical shaft in a 400-acre lease. In 1940 and 1941, the 100 vertical wells on this lease averaged about one-half gallon per acre daily.

The first two lateral shafts were blasted out to a distance of 2,234 ft. and 2,355 ft., respectively, from the work chamber of the vertical well 429 ft. below the surface of the ground. Eventually Ranney plans to have 24 horizontal lines pouring oil into the central chamber.

Ranney, technical adviser to the Venango Development Corp., which operates the horizontal wells near Franklin, Pa., declares that costs are less than 25¢ a bbl., as compared with \$3 a bbl. and more at vertical wells in the same field.

BAILEY BRIDGE

The American Elevator & Machine Co., Louisville, Ky., is a manufacturer of Bailey bridges, in addition to the five manufacturers listed on page 83 of Business Week's issue of Sept. 23, 1944.



GENUINE PARTS

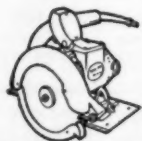
for Black & Decker Tools are never far away



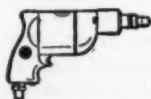
ELECTRIC DRILLS AND TAPPERS



PORTABLE SANDERS AND GRINDERS



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SCREW DRIVERS AND NUT RUNNERS

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Here's some of the extra satisfaction you get with every Black & Decker Electric Tool. If and when repairs are needed, expert service is quickly available . . . through company-owned Factory Service Branches in the 25 cities listed below.

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reasons why Black & Decker Tools are a better buy . . . for all such jobs as drilling and tapping, screw driving and nut running, sanding and grinding, sawing wood and cutting sheet metal.

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*FACTORY SERVICE BRANCHES: Atlanta, Ga.; Baltimore, Md.; Boston, Mass.; Buffalo, N. Y.; Chicago, Ill.; Cleveland, Ohio; Dallas, Texas; Denver, Colo.; Detroit, Mich.; Indianapolis, Ind.; Kansas City, Mo.; Los Angeles, Calif.; Memphis, Tenn.; Minneapolis, Minn.; Newark, N. J.; New Orleans, La.; New York, N. Y.; Philadelphia, Pa.; Pittsburgh, Pa.; San Francisco, Calif.; Seattle, Wash.; St. Louis, Mo.; Towson, Md.; Toronto, Ont.; Montreal, Que.

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PORTABLE ELECTRIC TOOLS



The brush that recaps tires... and helps make new ones



TIRE recapping, so vital an operation today, is best performed by using a special Osborn retreading brush for roughening the surface of the tire to get the maximum adhesion in vulcanizing . . . *without breaking the cords!* Tires thus prepared are uniformly and properly roughened . . . there are no weak spots, no broken cords . . . and the tires wear longer.

Power brushing has been *proven* during wartime one of the most versatile of all tools—used in practically every industry on every product for every surface finishing operation.

Moulds for making new tires, too, are best cleaned by power

brushing—resulting in a better looking, better performing product. Tire valves are finished by brushing before they are bonded to the rubber. The resulting smooth finish leaves no ragged edges to injure precious inner tubes.

Whatever you make now—or intend to make in the future—whether it's made of rubber, metal, fabric or plastic—it will pay you to investigate the contribution that power brushing, as developed by Osborn, can make to your product. You'll get greater uniformity, better looks and better performance at a lower unit cost—with Osborn power brushing.

Write The Osborn Manufacturing Company now and a trained field engineer will make a study of your present and projected operations—without obligation.

THE OSBORN MANUFACTURING COMPANY

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NEW PRODUCTS

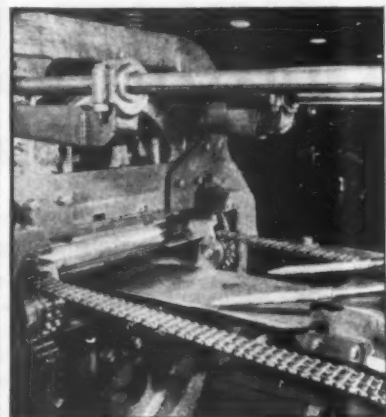
Decimal Point Locator

Youngsters in the fourth or fifth grade can tell you almost instantly that the product of 2.57x17.865 should be pointed off to five decimal places, but it takes long and continuing practice for any user of a slide rule to be able to spot the decimal correctly in the result of a long and complicated computation. That is why the handy new Deci-Point Decimal Point Locator and Demonstrator Slide Rule is being brought out by Pickett & Eckel, 53 W. Jackson Blvd., Chicago 4.

It is itself a slide rule, 11½ in. long, made of tough plastic-impregnated paper. On it are special scales for spotting decimals mechanically. With it comes a manual explaining the method of operation. Fortified with both, a person with a fairly limited mathematical background is said to be able to "solve and place the decimal point up to 19 places in difficult problems—containing cube root, square root, log, and trig factors."

"Industrial Rolling Pin"

Principles similar to those used by a housewife in thinning pie crust with



a rolling pin underlie the new Krause Rolling Mill developed by the Lewis Foundry & Machine Division of the Blaw-Knox Co., Pittsburgh 30. Unlike the housewife, the mill utilizes a pair of rolls (left), one above and one below the metal in process. Unlike conventional rolling practice, the rolls are pulled, or rather reciprocated, along the metal lengthwise, instead of the metal being passed through them. Result is that brass can be reduced from a thickness of ¼ in. to 0.030 in. in a single pass as contrasted with a standard reduc-

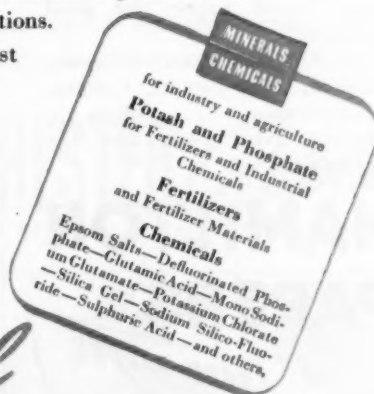
International Mono Sodium Glutamate



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In the far east, famous for its exotic cuisine, an amazing essence is widely used to accentuate the rich, savory flavors of many fine foods. After many years of research, chemists in International's Amino plant near Toledo, Ohio, succeeded in deriving this same ingredient from sugar beets and other vegetable sources. Mono Sodium Glutamate, or M.S.G., is now being supplied by International in limited quantities for use in quality canned soups, dehydrated foods and certain Army rations. To expand production, International has arranged with major west coast sugar producers for large supplies of raw material. A modern new M.S.G. plant is being designed for construction when war conditions permit. Eventually M.S.G. will be used more extensively by renowned American hotels, clubs and restaurants and by manufacturers . . . all for your greater enjoyment of the delicious flavor of fine foods. *International Minerals & Chemical Corporation,*
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VICTORY BEGINS ON PAPER

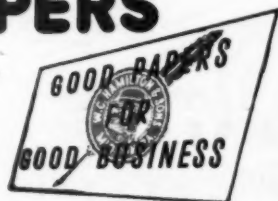
The tank-destroyer with its armor-piercing shell and high mobility has effectively taken the "blitz" out of "blitzkrieg" and threatens to reduce Hitler's formidable Panzers to a heap of tangled scrap-iron.

Paper played its part in developing this newest move in the seesaw game of attack and defense, for it is on paper that new ideas, new designs, take shape.

Hamilton Papers are at war and, consequently, on the list of items labeled "scarce" for civilian consumption. Rely on your Hamilton merchant for the latest information regarding supplies of those "good papers for good business."

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HAMILTON PAPERS



tion schedule calling for four to six passes with at least three intermediate anneals.

Two mills that have already gone into service on copper and brass will handle material up to 26 in. in width and 25 ft. in length for either hot or cold reductions. Future mills, which will probably handle longer pieces by welding one to another, are contemplated for steel and other metals. The reduction of hot slabs and the rolling of tapered material, such as spring leaves and tapered coverings for airplane wings, appear to be within range of the process. For any class of work the unreduced metal is held in tension by a

THINGS TO COME

Cigarettes of the not too distant future will keep in prime condition for periods considerably longer than were thought possible in prewar days. Basis of the prediction is a recent discovery that tobacco treated with a commercial solution of sorbitol picks up little moisture during weather of high humidity and loses very little during dry days. The humectant, or moisture-conditioning material, adds little if any of its characteristic sweet taste to a smoke, is nontoxic, and does not produce throat-irritating acrolein when burned.

Walls, ceilings, doors, and window frames of future homes and business buildings will carry fire extinguishing materials on every square foot of their surfaces. They will be painted with pigments which will include a mixture of calcium carbonate and a resin made by treating paraffin wax with chlorine. Such a combination breaks down under intense heat and gives off carbon dioxide, the veteran fire smotherer.

Ascorbic acid, the same vitamin C that prevents scurvy in human beings and helps heal their wounds, will prevent darkening and flavor change in peeled and sliced fruits of many years to come. Apples, apricots, white-fleshed cherries, peaches, pears, or plums will be treated with a weak solution of the benign, slightly sour acid or one of its isomers as a standard step in the processes of canning or freezing. Raw fruits sliced for table use will be dusted with a dry mixture of vitamin C and powdered sugar.

gripper (right) while the rolls, back and regulated by ingenious cam plates, make several passes a minute in the direction of the finished end of the material. Gage may be changed during rolling at any time, making possible finishing of a single slab into several thicknesses of strip for jobbing work.

Precision X-Ray Tube

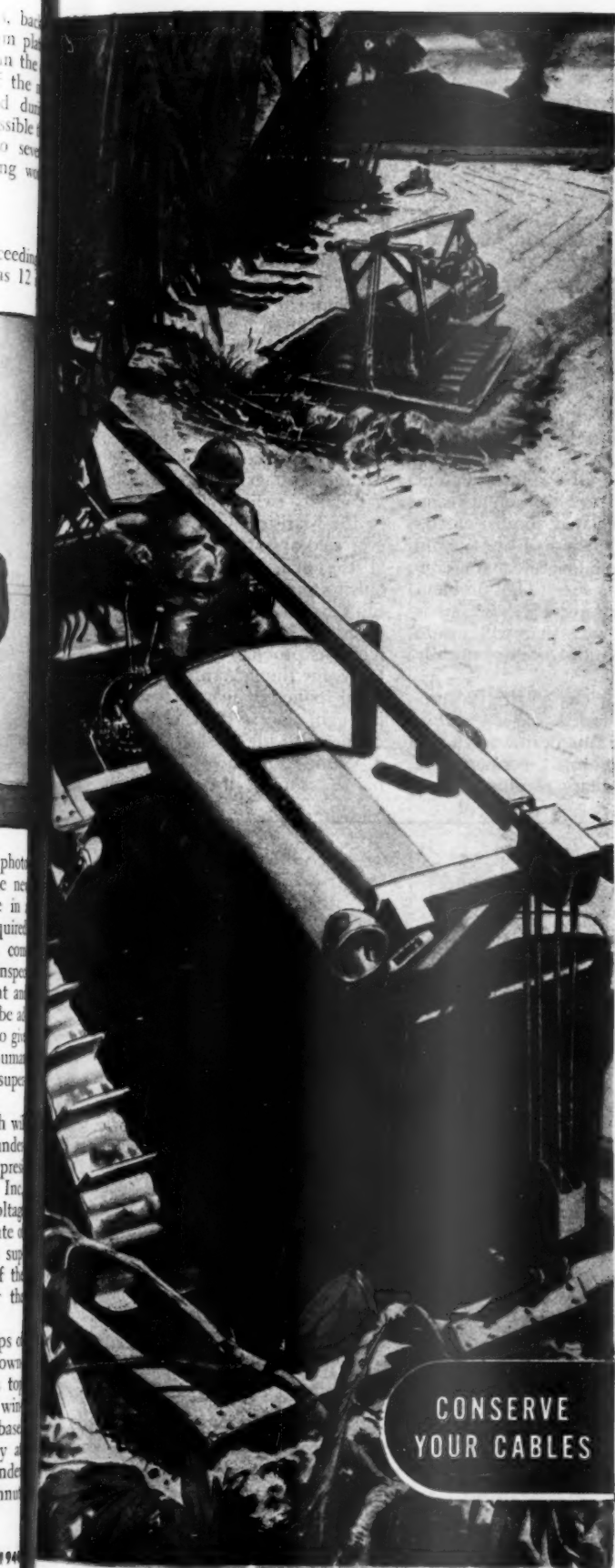
Internal structures of exceedingly thick sections of metal, such as 12



or more of steel, promise to be photographed with radiation from the new Machlett Precision X-Ray Tube in a fraction of the time formerly required. Assemblies of large mechanical components will become capable of inspection for correct internal alignment and adjustment. Cancer therapy will be advanced by the ability of the unit to give X-ray treatments deep in the human body with minimum burning of superficial tissues.

Development of the tube, which will operate at over 2,000,000 v., was undertaken by R. R. Machlett (above), president of Machlett Laboratories, Inc., Springdale, Conn., for the high-voltage laboratory of Massachusetts Institute of Technology. Power for it will be supplied by a compact new version of the ribbon-type electrostatic generator the design of which is not revealed.

Electrons, accelerated in 180 steps of 12,000 v. each, will be hurled downward from a cathode at the tube's top through a combination target and window made of gold in the tube's base. Radiation will be focused precisely at the correct depth in any object under inspection or treatment by a doughnut coil, not shown.



Re air Supremacy— ... **cf. the Seabees!**

The Pacific war is primarily an air war.
Air war is fought from air bases.

And air bases, anywhere, in a hurry, are
the special contribution of the Seabees . . .

Wire rope swings the big bulldozers
and heavy cats overside into the landing
craft . . . lets down the LC's blunt-nosed
ramps . . . powers the scrapers that gouge air
strips out of jungle, shave the stubborn coral
smooth, raze the ribbons of runway for
land-based war birds.

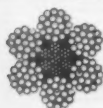
Seabee savvy *plus* wire rope carries air
supremacy ever closer to Nippon, and the
war to quicker conclusion.

Good men and good work warrant the
best in wire rope. When the priorities pass,
remember that Rochester means the best!

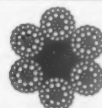
ROCHESTER *Ropes*

JAMAICA, NEW YORK • CULPEPER, VIRGINIA

CONSERVE
YOUR CABLES



*Culpeper, Va., and
Jamaica, N. Y., plants*



Wire rope is precious now! Take proper care of what you have!

MARKETING

Ideas Aid Sales

Procurement Division of the Treasury learns that ingenuity speeds surplus disposal. Agency finds new uses for items.

What would you do if you had thousands upon thousands of spurs to dispose of?

That's just one of the many problems that the Treasury Dept.'s Procurement Division is taking in its stride as it plans to sell millions of dollars worth of government-owned surplus items.

• **Ingenuity Is Required**—Procurement has discovered that its job of unloading surplus consumer goods involves more than just dishing it out—even with the present shortage of many types of civilian merchandise. Many military surpluses don't correspond to civilian needs. It often takes merchandising plus ingenuity to move them. Sometimes they can't be moved at all.

Many surplus items require some sort of conversion. Thus, in advertising the offering of a large quantity of cavalry spurs, the Procurement Division pointed out that—in addition to the orthodox use—they would make "attractive paper weights, bookends, and can easily be converted into ash trays and souvenirs."

• **Good for Premiums**—Spurs left over from the last war were snapped up as premiums by the producer of a children's radio program. Many surpluses look good to premium users who have been all but starved out during the war. Tootsie Rolls Co. is now offering a U. S. Army cartridge clip pouch for 10¢ and a seal on a jar top from a bottle of its Tootsie V-M (chocolate drink mixture). The Procurement Division has one eye on the premium market in its offering of 100,000 bolo scabbards, left over from the last war.

Officials are accustomed to scratching around to find a home for surpluses. Used pillows and mattresses couldn't be sold as bedding under the health laws of most states. They were pulled apart, the ticking sold for cotton-picking bags, the cotton sold to paper mills (where some of it already has been converted into invasion money).

• **Breaking Them Up**—The Army apparently ordered enough ice grousers to equip all its tractors for service in Alaska. Procurement is now asking for suggestions as to possible uses. One idea is that they might be broken in two,

the halves sold as shoe scrapers for America's doorsteps.

Talc, used by the services as a decontaminating agent, couldn't be sold as talc, but the Procurement Division found that it could be broken down into its component parts and that there was a ready industrial market for these ingredients—magnesium silicate, magnesium oxide, and calcium oxide. Tires designed for the disc wheels on gun carriages couldn't be used on cars and trucks, but they can be used on milk-wagons and other horse-drawn vehicles which have come back with the gasoline shortage.

• **Ready Sale**—Not all surpluses present problems. This week the division proudly announced that surplus of 10,000,000 slide fasteners had been resold to the original manufacturers for conversion to civilian use. The problem here is to make sure that the surplus is disposed of in a way that will insure equitable distribution of a critically scarce item.

A recent press release of the Procurement Division started out like this: "The hearts of the American women will beat a little faster today because of a declaration as military surplus of over

500,000 yards of bemberg material which will soon be available for, converting into gowns, dresses, blouses, pajamas, bed jackets, and other wearing apparel."

• **Bought by Maker**—In the case of the bemberg, trade circles declared that, in spite of Procurement Division's glowing description, the material (originally intended for parachute flares) wasn't suitable for dresses, pajamas, or similar garments.

But the Procurement Division sold the bemberg back to the original manufacturer. Dyed and treated with a non-slip finish, it is now finding its way into the civilian market.

• **What John Doe Wants**—Judging by the Procurement Division's mail, Americans' postwar homes will have a jeep in every garage and a life raft for every summer cottage. These two items and P-T boats (which will be disposed of by the Maritime Commission if any are ever sold as surplus) excite the interest of the man in the street who often fails to understand why the government can't express him one collect. (The Procurement Division has a delicate public relations problem in getting the public to accept the government's surplus disposal policy which provides for sale through regular trade channels instead of direct to the ultimate consumer.)

While jeeps and P-T boats aren't yet on the surplus lists, the Procurement



ONE MAN DOES IT

Having been tested under a variety of harvest conditions, International Harvester's automatic "one-man" hay baler (above) is all set to compete (BW—Jul. 10'43, p84) in the postwar farm market race. Operated by a 14-hp. engine, the baler has a 54-in. pick-

up, and boasts a capacity of six tons an hour—depending on conditions. Hay is tossed against a floating auger which moves it into a baling chamber where a knife—mounted on a plunger—slices each charge of the packing stroke. Two knotters tie heavy twine around the bales which can be turned out in lengths from 27 to 42 in.

Division has already sold more than 2,000 five-man pneumatic life rafts. These went like hotcakes at a cost of \$84.50 each to wholesalers, \$99.50 to retailers.

• **Mistaken Identity**—There has been one trouble, however: Military pilots have spotted civilians out for a joy ride and jumped to the conclusion that they were downed airmen in distress.

Field Eyes Books

Philanthropist-publisher and Simon & Schuster talking over plans for joint excursion into low-priced book field.

Weeks of book trade gossip to the effect that Marshall Field, philanthropic publisher of the Chicago Sun and New York's PM, contemplated an excursion into the low-priced book field—\$2 or \$3 volumes for \$1—were climaxed last week by the news that Field had a big deal on the fire with Simon & Schuster.

Trade sources say Field and Schuster are still talking over their respective ideas about mass merchandising of inexpensive books. Field will provide some of the capital required for any resultant publishing program.

• **Not New to S. & S.**—Simon & Schuster is no newcomer to the reprint business; it holds an interest in Pocket Books, Inc., Robert de Graff's phenomenally successful 25¢ volumes (BW—Jan. 10'42,p28), and last year collaborated in Sears, Roebuck & Co.'s People's Book Club, which offers its members reprinted books of various publishers at \$1.66 (BW—Jun.26'43,p86).

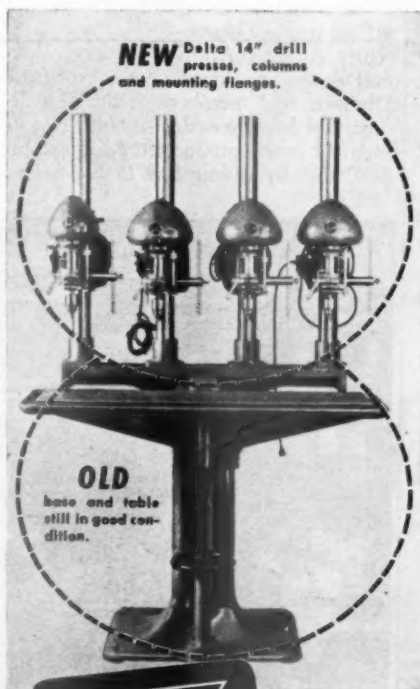
The new enterprise will have no connection with Simon & Schuster's present publishing business, nor will it have philanthropic aspects unbecoming to a business venture, as the trade had feared. Earmarked for a key spot in the program is Freeman Lewis, famous for his successful chain store merchandising of Doubleday Doran's 49¢ Triangle books (BW—Sep.26'42,p55).

• **Reprint House Is Sold**—Meanwhile, Grosset & Dunlap, Inc., pioneer reprint firm which Field was considering buying, was sold to Random House, Harper & Bros., and Book of the Month Club, Inc.

Active operation will be assumed by Random House, publishers of the Modern Library books at 95¢ and Modern Library Giants at \$1.45. The new owners' present plans indicate no change in the firm's program of publishing low-priced reprints exclusively, except for the addition of a substantial trade in new juvenile titles.



You save time and money when you modernize old machinery with standard DELTA components



DELTA MILWAUKEE Machine Tools

Here are two typical cases in which plant engineers have modernized old machines with standard Delta components, instead of buying scarce, costly new machines.

If you have machines in your plant that are rapidly approaching obsolescence, investigate this modern, economical method of salvaging those parts that are still in good condition. Replace the worn units with standard, low-cost Delta components . . . designed and built with quality features that assure you of dependable, accurate performance.

These components also can be used to build special-purpose machines that are quickly available, economical, and adaptable when conditions change.

Delta's 76-page Blue Book gives you 140 examples . . .

— actual case histories in which special-purpose machines were built around standard Delta components—low in cost and quickly adaptable when conditions change. The same ingenious combinations can be used in reconverting for peace.

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MA-12

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Please send me my free copy of your 76-page Blue Book and catalog of low-cost Delta tools.

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TESTING LABORATORY... from the humorous
Elliott Catalog of 1888

Chuckle and Chortle

Over these 140 Old-time Business Cartoons
Act Now and get your **Free** copy of

The Story of a Father and Son OR Unscrewing the Inscrutable

You'll laugh as well as be astonished at the inside story of two famous inventors at work. And you'll pick up a lot of meaty information, too.

Sterling Elliott's first Patent was granted in 1874 when he was twenty-one years old. Harmon Elliott's first Patent was granted in 1911 when he was twenty-four years old. Harmon Elliott's latest Patent was granted in March 1944, so at the present time the Patent files of the Elliott Company contain 211 Patents, with the earliest Patent and the latest Patent seventy years apart: 104 Sterling Elliott Patents and 107 Harmon Elliott Patents.

Though this captivating free book was written to advertise the Elliott Addressing Machines and Typewriteable Address Cards, you'll agree that "The Story of a Father and Son or Unscrewing the Inscrutable" is far more than an ordinary advertising booklet. Fact is, it's today declared a very choice item by many of the nation's leading business men. Illustrative of the reaction of top executives, we quote: "A fascinating story very humanly told."... "First advertising booklet I ever read clear through from beginning to end."... "Best thing I've read for eight years."

Send today for your free copy of this 64-page book by writing on your business letterhead to THE ELLIOTT ADDRESSING MACHINE CO., 151 Albany St., Cambridge 39, Mass.

SAVE PAPER TO HELP WIN

Elliott

ADDRESSING MACHINES

Battle of Reno

Goldwyn's Nevada splash was calculated to dramatize the fight of independent producers against movie "monopoly."

Moving pictures aren't sold like suits of clothes or cans of beans. If a manufacturer produces a line of suits whose cut is out of fashion, or a batch of beans that are tasteless, he is out of luck. The public won't want them, dealers will refuse to stock them, and the manufacturers will lose money.

• **Sales Assured**—But the big movie producers, who are the "manufacturers" of the product that is screened in theaters, have fortified themselves against such an eventuality. They own the key picture houses in the major cities. They have block-booking arrangements with independent theaters and chains compelling purchase of the entirety of a studio's output, whether good or bad.

As a result, it is frequently claimed in Hollywood that any one of the five major producing companies (Loew's, Inc., R.K.O. Pictures, Inc., Twentieth Century-Fox Film Corp., Warner Bros., Inc., and Paramount Pictures, Inc.) can produce any film and be assured ahead of time that it will return a profit.

• **Fuel to the Flames**—In Hollywood recently, Assistant Attorney General Wendell Berge, in charge of the Antitrust Division, told members of the film industry of his renewed plans for divorcement of movie production from exhibition, thereby adding fuel to the flames

kindled by Sam Goldwyn, independent producer.

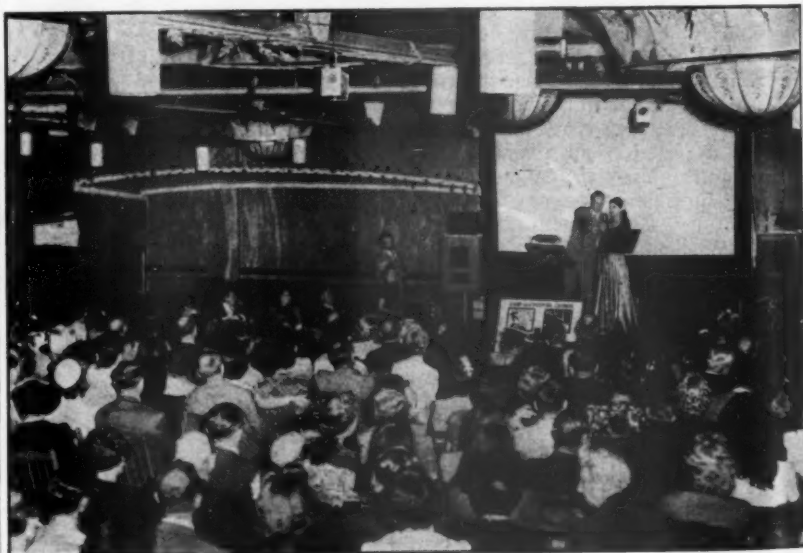
On the exhibitor, or retail, end of the movie business, backing for the Antitrust Division has long been direct and effective. The Allied States Assn. of Motion Picture Exhibitors headed by Abram F. Myers filed the complaint on which antitrust action was first undertaken when the Justice Dept.'s trust busters tackled the major producers six years ago (BW—Jul. 30 '38, p17).

Position of the independent exhibitors is that the major producers, by contractual arrangements as well as by direct ownership of key houses, are able to force unwanted films upon theaters as well as to dictate rates.

• **That Consent Decree**—Despite the objections of the independents, the Antitrust Division, then headed by Thurman Arnold, signed a consent decree on Nov. 20, 1940, for control, by a special commission, of producer-exhibitor relationships for a trial period of three years. The end of this trial period last November found independent exhibitors and the Antitrust Division in substantial agreement that the attempt had failed.

The next major step by the Antitrust Division was taken in August when, in renewal of the antimonopoly case, Berge called for complete separation of production and distribution of films (BW—Aug. 12 '44, p84).

• **Wartime Shift**—As in all production-distribution tie-ups, it was inevitable that independent producers as well as independent "retailers" would be injured in the tight scheme of control. The major producers, by virtue of the substantial control they exercise over



Stirred by Sam Goldwyn's shadow boxing with the local movie monopoly, Reno turned out a capacity first-night audience for his novel night-club theater.

Right—for a life raft!

The little rubber life raft bobbles on the wash of the wide Pacific. But the survivors of the wrecked plane no longer have to trust to crude signals for rescue.

They crank the portable Sea Rescue Radio Set, which the boys call the "Gibson Girl," and a Sylvania Radio Tube automatically flashes an SOS and their position via a box kite antenna.

This radio tube, like the "Gibson Girl" itself, is the latest word in military equipment. It is engineered to help do a job once thought impossible. What's more, it holds multiple promise of peacetime accomplishment.



Right—for life on the range!

When GI Joe rides the range again, his cow pony may well be equipped with special two-way radio that will keep him in close touch with ranch headquarters.

Others — explorers, prospectors, engineers, woodsmen — also will find various types of portable radio, of which the "Gibson Girl" is just one example, a revolutionary aid to field-to-headquarters contact for safer and more efficient operation.

Radio tubes of all types will continue to be a specialty of Sylvania, as will electron tubes for industrial use and the finest in fluorescent lighting equipment. And all Sylvania products will be engineered and manufactured to one standard—the highest anywhere known. Sylvania Electric Products Inc., 500 Fifth Avenue, New York 18, N. Y.



BUY WAR BONDS



SYLVANIA

ONE STANDARD—THE HIGHEST ANYWHERE KNOWN

RADIO TUBES

It was natural for an incandescent lamp maker to enter the related field of radio tube manufacture. This Sylvania did when wireless became known as radio. And a generation of experience has established the Sylvania reputation for quality radio tube research, development and manufacture.



ELECTRONIC DEVICES

The first television set you buy after the war may very well reflect its pictures from a Sylvania cathode ray tube. Having been entrusted with many wartime electronic production tasks, Sylvania is now one of the largest manufacturers of cathode ray tubes in the world.



LIGHTING EQUIPMENT

Lighting pioneer and fluorescent pacemaker, Sylvania aims to play its part in relighting America in ten years — goal of the Illuminating Engineering Society. Already the leading fixture manufacturer in the fluorescent field, Sylvania will provide fluorescent lighting equipment for right light for industry, commerce and home — engineered and styled to their special needs.





BAZOOKA TO BABY CARRIAGE

GAS is the Industrial Heating Fuel

Bazookas for war or baby carriages in peace call on Gas, the modern industrial fuel for processes requiring heat. Industry at War looked to Gas to solve many production problems. Peacetime plants will find it indispensable.

Gas has a wide range of applications. It is economical, lowers costs. It is clean, accurately controllable, automatic in operation, promotes comfortable working conditions. Gas is fast and it's the answer to the production manager's search for a flexible fuel.

Call your local Gas Company's

Industrial Engineer in as a partner in your reconversion problems. He will show you how Gas can help you do a more economical and faster job, while guarding your workers' safety. He has the research resources of the entire Gas Industry at his command, and a wealth of practical experience.

AMERICAN GAS ASSOCIATION
INDUSTRIAL AND COMMERCIAL
GAS SECTION

420 Lexington Avenue, New York 17, N. Y.

THE TREND IS TO GAS

FOR ALL
INDUSTRIAL HEATING

which films are to be distributed to theaters, just about write their own terms on the independent productions they distribute. But the independent producers were not important at the time the original suit was filed in 1938, nor at the time the consent decree was signed in 1940.

The change that has made them suddenly important has come upon them in the war years. Banded together as the Society of Independent Motion Picture Producers with Sam Goldwyn as the leading force, they have begun to furnish information to the Antitrust Division and are on the point of intervening in the division's monopoly case.

• **Taxes Favor Independents**—Time was when Goldwyn was considered a trusted outpost of the film monopoly. Although technically an independent, he is an old-timer in the business, and as such remains close to the movie moguls—to his former partner, Louis B. Mayer of Loew's, for instance. But the accident of favorable wartime tax laws has made independent movie production highly profitable. Sam Goldwyn, therefore, tossed in his lot with the growing new group of independents. Specifically, he staged the "battle of Reno" to dramatize the entire position.

The method of Goldwyn and the other big producers is to make a very few, very big pictures. Thus Goldwyn has most of his 1944 eggs in one basket—the film "Up in Arms." It cost \$2,500,000. It must, therefore, bring big returns from every major center.

• **His Own Theater**—In Chicago, Goldwyn's more quiet defiance of the monopoly took the form of renting a small



Sam Goldwyn and Mary Pickford add a personal touch to a dramatic defiance by driving the last spike in converting a Reno night club into a temporary "independent" movie house.

Buy War Bonds . . . Help Speed Victory!

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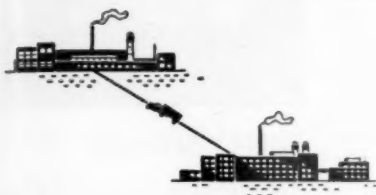
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How To Stretch a "Conveyor Line" a Mile

NATIONAL Did It With Fruehauf Trailers



THIS IS A STORY of stretching a "conveyor line" between two factories a mile apart—in the heart of Cleveland's busy industrial district.

National Screw & Manufacturing Company's wire mill is a mile away from the main plant. Wire which is drawn and processed at the mill must flow into the main factory on schedule—and in the quantities needed.

The job is done by one truck and three Fruehauf Trailers! How does one truck pull three Trailers? By "shuttling." While one Trailer is being loaded at the mill and a second Trailer is being unloaded at the main plant, the truck is en route with the third Trailer. Truck and driver are never idle, whereas loading and unloading of ordinary trucks previously wasted half of each driver's and truck's working hours.

But that isn't the only saving National enjoys with its Trailers. Loads range up to 17½ tons . . . yet they're pulled by a 3 to 5-ton truck . . . because any truck can pull, on a Trailer, far more than it is designed to carry.

Coupling and uncoupling the Trailers takes so little time that the driver can make three trips an hour



through congested city traffic. And at one of the plants the Trailers slide into narrow loading docks with only a few inches leeway on either side . . . showing how easily maneuverable they are.

The experience of National Screw is typical of thousands of others in more than 100 different kinds of business where Fruehauf Trailers are saving time and money on difficult hauling jobs . . . jobs that couldn't be handled as well, if at all, by any other method.

World's Largest Builders of Truck-Trailers

FRUEHAUF TRAILER COMPANY • DETROIT

Service in Principal Cities

MOTOR TRANSPORT WILL GET YOUR JOB DONE! If you are not using truck transportation, have you ever challenged your shipping costs and over-all efficiency with the job that professional haulers can do for you?

FRUEHAUF TRAILERS

"ENGINEERED TRANSPORTATION"

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"...to provide for the common defense,
promote the general welfare, and
secure the blessings of liberty . . ."

BUY MORE WAR BONDS

AND BUY FOR KEEPS

RECONVERSION
MODERNIZATION
WAR O.R.A. RENEGOTIATION
W.P.B. N.M.C. ELEVATORS
TAKES ASPECT COSTS
SEDGWICK



Me? I'M VICE PRESIDENT
IN CHARGE OF COST REDUCTION

Undoubtedly you are making plans for modernization, reconversion or new installation of elevators and dumb waiters. For modern elevators and dumb waiters are essential to the efficient movement of men, material and merchandise—effectively reducing costs by increasing efficiency.

For more than 50 years Sedgwick electric and hand power elevators and dumb waiters have been solving "man" handling and materials handling problems in factories, hotels, hospitals, restaurants, schools, churches, libraries, private residences, and commercial offices as well as institutional and private buildings.

If this experience plus the engineering and manufacturing "know how" gained through wartime production for the Navy, Coast Guard and Merchant Marine can be of assistance in furthering your postwar elevator and dumb waiter plans tell us about them. Our engineers will be glad to help and show you how Sedgwick elevators and dumb waiters move men, material and merchandise better and faster—at reduced cost.

Sedgwick MACHINE WORKS
189 West 15th Street, New York 11, N. Y.
ELEVATORS • HOISTS • DUMB WAITERS

Why Executives Rate A-PE-CO Photo-Copies "Essential"

Nation-wide survey among executives, just completed, reveals 159 current uses for photo-copies made with A-PE-CO equipment, in their own offices or shops. These uses help all departments speed work, save time, reduce cost, increase efficiency and protect valuable papers.



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On a moment's notice, anyone can make easy-to-read, black-and-white photo-copies of anything written, drawn, photographed or printed, on one or both sides. The accuracy, speed and operating simplicity of A-PE-CO will surprise you. Thousands in use.

No Darkroom—A-PE-CO is portable
This modern, versatile photo-copying system, does work no other equipment can do, eliminates steno-copying, proofreading and checking. No technical training needed. Write for folder of uses that demonstrates A-PE-CO's amazing value!

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Representatives in principal cities.
In Canada, Railway & Power Engineering Corp., Ltd.

theater, the Woods, for a long run. That way he got \$225,000 for 21 weeks from the film, whereas, under conventional distribution, he would have received some \$25,000 for a two-week limit at a big theater.

In Reno, he staged another kind of war. Since all the theaters there are owned by T. & D. Enterprises, Inc., Goldwyn spent \$30,000 to open in the El Patio dance hall, which had to be reconditioned before the successive objections of the city council, the fire department, and the police department could be met.

• **Splash in Reno**—But the opening made the appropriate splash. Mary Pickford, herself an independent producer, went to Reno for the event and made a stinging antimonopoly talk. The James Cagneys, and Orson Welles, also independents, sent encouraging messages. And Goldwyn urged the Federal Bureau of Investigation to look into his charge that the city attempted to prevent his opening except in the controlled theaters.

At present the society of independents is threshing out plans for intervention in the federal case. Other notable members are Charlie Chaplin, David O. Selznick, Sol Lesser, Hunt Stromberg, Walter Wanger, Edward Small, and Edward Golden.

Who's Listening?

Broadcasters propose a bureau, like publishers' A.B.C., to check circulation by polling the public's listening habits.

Newspapers, magazines, and trade publications have long had their Audit Bureau of Circulations, but as yet there is no industry-wide medium for telling radio advertisers who's listening, how many, and where. (Crossley, Inc., and C. E. Hooper, Inc., measure program popularity rather than station circulation; various engineering firms measure signal strength, but this is no index of listening habits.)

• **Submitted to Agencies**—Plans of the National Assn. of Broadcasters to establish just such a medium moved a step nearer completion this week, when N.A.B. submitted its Radio Bureau of Circulation plan to the first of its customer groups—the American Assn. of Advertising Agencies—for official approval. A.A.A.A.'s technical committees had already O.K.'d the plan. Final step will be gaining approval of the Assn. of National Advertisers.

According to the plan adopted at the N.A.B. convention last month (BW—



SUPPLY SPINNER

The spiraling descent of a maple seed is a basic idea behind the Army's new "sky-hook" container for dropping emergency supplies from planes. Carrying 65 lb. in its plastic case, the simple device spins down at 35 ft. a second—somewhat faster than a parachute which is easier for the enemy to spot. Another advantage claimed by the Army is its resistance to drift—a factor permitting its post-war use in feeder airmail service.

Sep. 9 '44, p. 26), the bureau will make biennial direct-mail surveys in subscribing stations' territories, distributing questionnaires to about 1,000,000 radio families at an estimated cost of \$1,000,000. This cost will be prorated among subscribing stations according to their circulation, as indicated by the survey, those with the heaviest distribution paying the highest rates.

• **Listening Habits**—Each station's coverage will be broken down into three classifications: primary—including communities where 50% or more of the radio families listen to it at least once a week; secondary—those in which it is heard by 25% to 50% of all radio families; tertiary—where listening is between 10% to 15%.

N.A.B. will assume operating costs apart from the questionnaire expenses which will be borne by the stations during the first year of operation; these are estimated at \$65,000. After the first year the bureau is expected to be self-supporting.

N.A.B. hopes to start its first audit by next spring.



Are you planning to de-centralize your operations?

One company which makes transportation equipment at a centralized operation in the mid-West decided to put a branch plant in Pennsylvania.

Here this company found better labor relations, better living conditions, shorter hauls to markets in the East, moderate taxes, proximity to many raw materials.

Many industries have found that a 50-man unit can be operated as economically as a 2,000-man plant. With costs in line, employees living in single-family homes with plenty of ground instead of in crowded cities, these companies can do a better job.

Pennsylvania abounds in pleasant towns,

where you can locate a branch and get these advantages, plus proximity to eastern markets and lower distribution costs.

When you are planning for reconversion, consider a branch in Pennsylvania. This state is one of the nation's greatest sources of raw materials and semi-finished products; if your processes use any of these, a branch here may enable you to move your product in a straight line to market.

Write or wire the Pennsylvania State Department of Commerce for information on raw materials, labor supply, plant sites, living conditions, taxes, distribution facilities, etc.

DEPARTMENT OF COMMERCE, HARRISBURG, PA.

Pennsylvania

EDWARD MARTIN
Governor

FLOYD CHALFANT
Secretary of Commerce

Pennsylvania—a fine place to live, a fine place to be in business



In Pressed Steel Tank Company's laboratories, on the production lines and in the offices, cost reduction is a second-generation proposition. The experience of more than 40 years is augmented by the skill and knowledge of today's metallurgists, designers, engineers and production experts—resulting in better, lower-cost products for you.

SECOND-GENERATION COST REDUCERS

PRESSED STEEL TANK COMPANY's volume production experience has afforded important economies for many users. They are benefited by the uniform size, weight, strength and capacity of Hackney Barrels and Drums. These characteristics are maintained by modern heat-treating and quality control equipment.

These second-generation cost reducers also write durability into the specifications. Hackney Barrels and Drums are built to stand up under the abuse of modern handling. Also, unnecessary weight has been eliminated to assure utmost shipping and handling economies.

At Pressed Steel Tank Company, our production is largely given over to the making of war products. But as soon as the need for these products becomes less critical—and more material is released for civilian requirements, Pressed Steel Tank Company plans to make products available to the needs of the industry.

Pressed Steel Tank Company

MANUFACTURERS OF HACKNEY PRODUCTS
General Offices and Factory • 1436 SOUTH 66th ST.
Milwaukee 14, Wisconsin



CONTAINERS FOR GASES,
LIQUIDS AND SOLIDS



Customers Pooled

United Air Lines plans to base interior design of postwar planes on passenger responses to new questionnaire.

To boost postwar passenger traffic by tailoring planes to customers' preferences, United Air Lines is now polling its customers and prospects. Announcement of the questionnaire is to obtain suggestions for use in designing the service and details of the 15 four-engine DC-4's (four miles a minute, 44 passengers) and the 35 four-engine DC-6's (five miles a minute, 56 passengers) that U.A.L. currently has on order from Douglas Aircraft Corp.

• **Usual Questions**—Questions are asked on such expectable items as type of seat, footrest, lighting, and miscellaneous accommodations. Preferences are explored as to lengthwise or crosswise beds, and whether baggage should be checked in a separate compartment.

Cabins 60 ft. long raise the point whether they should be divided into four-person or eight-person compartments, and whether there should be a lounge. Separate lavatories and dressing rooms for men and women are assured. • **Berth Charges or Sit Up?**—Transcontinental travel time in the new planes will be ten to thirteen hours. Hence the airline wants to know whether the passenger would prefer to sit up to save paying \$25 to \$35 for his berth. Preferences in departure and arrival times for coast-to-coast trips are also sought.

Two attendants will be needed. U.A.L. asks whether these should be stewards, stewardesses, or one of each. Another question seeks preference among limousines, taxicabs, and local common carriers (where available) for transport to and from the airport.

• **Dictators and Diapers**—From the business executive, United asks for a vote on: a long-distance telephone plugged into circuits at plane landings; a dictating machine for which cylinders could be purchased aboard, a writing room, or a typewriter.

Young mothers are given a vote on such items as baby foods, bottle warmer, baby toilet seat, and disposable diapers. Numerical order of preference is requested for movies on night flights, television, radio (earphone or loudspeaker), and an illuminated panel showing speed and location of the plane. The traveler is also urged to select his favorite meal from a list of 73 dishes.

• **Drinking and Smoking?**—As always in airline questionnaires, travelers are

asked whether they would approve cock-tails before meals. Another perennial: Does the passenger prefer that smoking be permitted throughout the plane, only in a separate compartment, or forbidden? Antismokers are asked to rank cigars, cigarettes, and pipes in order of objectionability.

WATCHES IN PROSPECT

More jeweled watches in time for the Christmas trade are in prospect. Bulova and Elgin National are making some, Hamilton a few, and Waltham—although busy with military orders—may turn out a few.

WPB is releasing materials to watch makers for the fabrication of parts, not so much to satisfy demands of civilians but because the amounts are comparatively trifling and assure keeping skilled craftsmen busy. Loss of workers who may be temporarily idle when gaps occur in war orders would cripple subsequent military orders and handicap the watch companies when the time comes for full reconversion.

Makers of nonjeweled watches are still busy on war items.

COLA SUGAR IN COURT

Latest move in the long continuing struggle of the cola companies over sugar allotments (BW—Nov. 27 '43, p90) was the filing last week by OPA of a treble damage suit for sums totaling more than \$1,000,000, against the Coca Cola Co. and Eastern Sugar Associates, a Maryland corporation. The complaint alleges that Coca Cola bought sugar from Eastern for prices in excess of ceilings.

Puerto Rican sugar sold to the beverage company since Sept. 23, 1943, was for \$108,542 above ceiling, says OPA. Eastern's charge for handling was \$248,000 above ceilings, the price agency charges.

P. S.

Television's first big-time tryout—and its largest audience to date—came last week when Gillette Safety Razor Co. began sponsoring telecasts of all boxing matches at Madison Square Garden and St. Nicholas Arena in New York City to wounded servicemen in Army and Navy hospitals. . . . Filene's of Boston startled servicemen's wives and sweethearts with a newspaper advertisement, headed "Put a toy for a child in that overseas box." Well-intentioned copy went on to explain that "thousands of children overseas face a giftless Christmas . . . tuck in a toy so that your G. I. may share the joy of making Christmas happy for a child."



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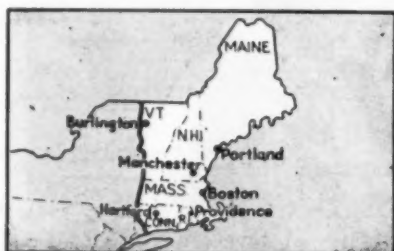
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Company.....



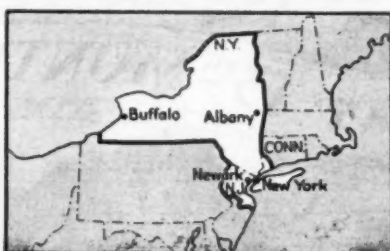
THE REGIONAL MARKET OUTLOOK—

A summary of industrial, agricultural, and other trends, affecting the income and general business prospects in the twelve Federal Reserve districts of the nation for most recent month. (Last month's report: BW—Sep. 9 '44, p. 6.)



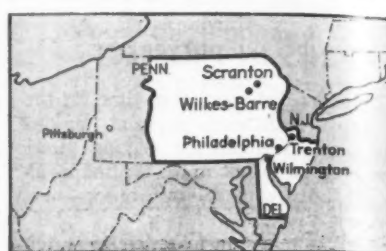
• **Boston**—Factory employment and payrolls are still sliding more rapidly in New England than nationally. In part, manpower is shrinking faster due to migration from war centers, women quitting war jobs, and draft inductions. In part, it is because munitions contracts have slackened—only 62% of Massachusetts wage earners are on war work now as against 66% a year ago. Hence, labor shortages are no worse—and in some spots a bit better (BW—Sep. 9 '44, p. 86)—than six months ago. And activity in the cotton, woolen, and shoe industries averaged 20% below 1943 during the summer.

V-E Day cutbacks are apt to have less severe impact on income in New England than in most regions because the soft goods lines will speed up rather than slow down, and because reconversion to meet pent-up needs will move with rapidity in the district's hard goods—typewriters, hardware, appliances, etc.



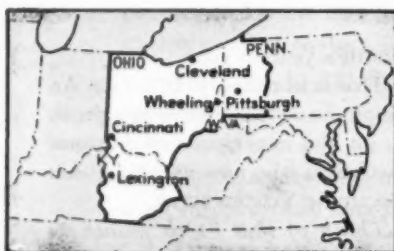
• **New York**—Construction will be another help to this metropolis during reconversion in recapturing some of its relative pre-eminence in point of income. Remodeling has already been authorized, and after V-E Day, labor and materials will be ample for rapid resumption of house and office building. Shipping, naval shipbuilding, apparel activity, and other lines will hold up better than other areas' strictly war lines during the Japanese war. In most of these—northern New Jersey towns, Long Island, and southwest Connecticut, and the central New York state belt from Buffalo to Albany—war payrolls already have fallen or are falling, more sharply.

The rate of income expansion has speeded up in this region as a whole during the war while it slowed down in the nation—but the annual income rise never became as sharp as in the nation (being but 16% in 1943 vs. 20% for the U. S.).



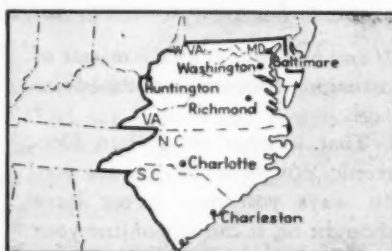
• **Philadelphia**—With production in the district's textile and related industries down from prewar levels, the carpet, hosiery, underwear, silk, shoe, woolen, and similar industries should provide considerable cushion for employment once the V-E Day cutbacks start. Tentatively, these have been estimated at the same 40% figure as for the country as a whole. Potentially, war-activated truck, electronic, railroad equipment, and similar heavy goods lines stand good chances for reconversion to high levels of peacetime operation; shipbuilding is the outstanding probable postwar casualty.

Right now, basic lines are on overtime and in most areas manpower is short. Coal sections in the northeast and southwest of the district boast the best payroll gains over a year ago. Farm income which rose only two-thirds as fast as district payrolls or national farm receipts during the war is still trailing.



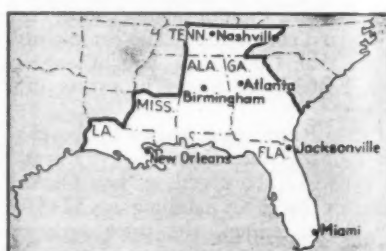
• **Cleveland**—District industry is at peak activity—with truck and ammunition output added to aircraft work, and secret-weapon orders stirring. But reconversion colors all thinking. Pottery makers are waiting for workers to be laid off from war plants, machine tool builders are gathering retooling orders, and parts makers are wondering whether costs have got out of line with those of auto assemblers.

While district income has run about average during the war, population shifts are suggestive of the intradistrict cross-currents in income. Population increased around Dayton, Cincinnati, Columbus, Cleveland, and Akron, whereas southwestern Pennsylvania, between Pittsburgh and Wheeling, lost heavily. In general, this continues prewar trends, and the general expansion on diversified metalworking in the western half of the district should tend to preserve the wartime shift.



• **Richmond**—Employment and payrolls are falling in this region as in others, but manpower shortages persist, particularly at coastal shipyards. West Virginia payrolls are holding up better than most, due to overtime coal mining and sustained output of industrial chemicals. And ordnance work is rising at such towns as Lynchburg, Radford, and Hopewell, Va. Impact of cutbacks upon shipbuilding when Germany falls is still uncertain but the Charleston and Norfolk Navy yards have the best prospects. Shift of Glenn Martin to Superfortresses and Mars flying boats will help sustain 1945 payrolls at Baltimore. The Carolinas' war work is limited, anyway.

Tobacco harvests are now figured fully one-third larger than last year. Cotton and corn also will be up, but hay, peanut, and soybean crops are apt to be down a bit from 1943. Pasturage and milk output have recovered from the summer drought.



• **Atlanta**—Cotton income prospects have doubly improved. The crop has come back after a poor start and may even equal last year's. Also, Congress has moved twice over the summer to raise support prices against V-E Day. The crop shapes up better in western than in eastern sections of the district. Most other crops are about average.

The district can boast a considerably better than average income gain all through the war in all states—especially because of military payrolls. This year, what troop-training centers remain are being emptied rapidly by the movement of soldiers overseas; but both farm and industrial income are doing better than the national average, and the district may well again show superior gains—1944 over 1943. Industrial payrolls will be more vulnerable here than elsewhere to cancellation of contracts, but at the moment, a half dozen cities are still contending with labor shortages.

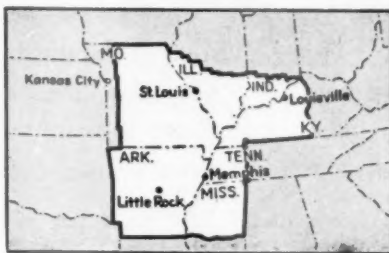
-A GUIDE TO INCOME TRENDS

Declines in payrolls appear to be checked in most industrial areas, while crop prospects pick up as harvests reach full swing in agricultural districts. Regions are still attempting to appraise varying impact of reconversion.



● **Chicago**—With district industry adjusted to changed munitions schedules, arms employment flattened out here during the summer, and payrolls rose, except in the biggest centers. In general, industrial income has done better than nationally this year. With employment needs sustained, this one region now accounts for almost one-third of the labor shortage areas of the nation. However, layoffs have occurred in war work in some spots—Manitowoc being the sharpest recent instance, but Indianapolis the most important one. And unemployment will probably jump once Germany falls.

Corn so far has turned out better than seemed probable at midsummer, especially in Iowa. With hog crops reduced, cattle feed lots are likely to reopen soon again, now that feed is more plentiful. Farm income increased about average during the war, and is likely to continue following national trends into the postwar period.



● **St. Louis**—Sustained rainfall has improved crop estimates considerably from the summer lows—by roundly \$100,000,000. Cotton, corn, tobacco especially have taken a marked turn for the better, restoring original prospects for better-than-average district gains in farm income over 1943.

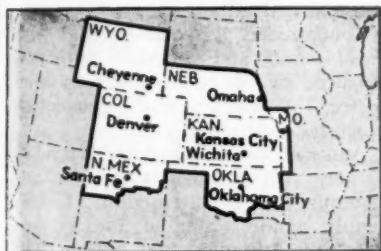
Industrially, the region has not picked up much; employment has dipped at Memphis, Little Rock, Quincy, and even Louisville, as well as at Evansville and St. Louis. A relatively easy manpower supply should mean more reconversions under spot authorizations than in most districts.

Income has about matched the national average during the war, running a bit higher in some of the southern sections (northern Mississippi), a bit lower in some of the northern ones (Missouri). A guide to the region's over-all postwar prospects is that income ran about average during 1934-1939, as well as 1939-1943.



● **Twin Cities**—Corn is a bit late this year—which is cause for farmers to worry over an early frost, but also reason to be pleased that harvest work has been spread out. Most crop yields will be good this year, though there has been some deterioration recently. Beef marketings are running way above 1943 levels, but the hog runs which start this month will be one-third smaller than last year. Milk output has been sustained at good levels by excellent pasturage, though butter is still giving way to more dried whole milk.

Copper mining around Butte has already eased off, and iron mining in northeast Minnesota will drop off as cold freezes lake shipments. Meat packing, canning, and beet sugar refining have gone through the usual seasonal phases. The only new bright sign is that Twin Cities ordnance plants recently scheduled for artillery work are now about to go into operation.



● **Kansas City**—Record Nebraska corn makes the crop story of the year in this agricultural Federal Reserve district. Almost 50% bigger than last year, it will mean \$100,000,000 worth more feed. There is also plentiful feed in the middle part of the region (western Kansas-eastern Colorado). Harvests in general have been bigger this year than last, and farm receipts are up more than the national average in most sections. Northern New Mexico, with its decline in livestock returns, is the chief exception.

This city has another new ordnance award, reflecting the continued high level of war work in the state generally. Oklahoma City, however, now has a slight labor surplus. And, as elsewhere, some of this region's Army camps are being declared "surplus" and are being shut down. Colorado and Nebraska nonfarm jobs have dropped more sharply since a year ago, while other states have fared better.



● **Dallas**—Rains in the last half of the summer have lifted range and crop conditions through the district—though cotton, with the harvest being finished even in the north of the district, has not been particularly affected. Fewer livestock are being moved to market now than recently, because ranges are improved. Incidentally, the size of this year's turkey crop probably will be below last year's.

Ordnance activity has stepped up recently at McGregor, Amarillo, and Texarkana. But new magnesium cutbacks have hit Austin and Freeport, on top of the aircraft layoffs at Dallas, which will shortly produce unemployment there. Other war work is stable. Meantime, crude oil output has been running at new production records, the new butadiene and aviation gas plants have come into operation, and oil well drilling activity has increased more than 50% from last year's lows.



● **San Francisco**—Job rosters on the West Coast have dropped more sharply in recent months than nationally. Portland has had perhaps the worst decline, Seattle the least. Private shipyards have almost 20% fewer personnel than a year ago, and the effect on San Francisco area payrolls has been about the same as that of reduced aircraft employment on those around Los Angeles. Agriculture, railroad, mining, and other lines have also had to do with less manpower this year than last. However, canning factories have about passed the peak and should release some labor soon.

While munitions activity is already sliding, minor chemical, lumber, and petroleum expansions are under way, and rumors of major plant projects are prevalent. Impending slashes in armaments will drop district income more sharply than the nation's though some relative gain made during the war will remain permanent.

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After War, What?

Question troubles shipyard workers, who see jobs threatened by world peace. Their solution is to build more ships.

Union concern over the future of more than 1,500,000 workers in the greatly expanded shipbuilding industry is coming more and more into the open with the approach of V-E Day.

• **Left Stranded**—The shipbuilders, whose plants already have been tagged the No. 1 industry of the Pacific phase of the war, are worried particularly over the possibility that while they are busy producing ships for the final victory, change-over of workers from closed war plants to reopening peacetime production units will leave shipbuilders stranded, tied down to an industry which now employs nearly 30 times its peacetime needs.

The fear is reflected in abnormal turnover rates and manpower shortages. Absentee rates for the industry often run as high as 8% after cutback rumors.

Cold facts heighten the grim outlook.

• **Postwar Shipping Surplus**—At the close of the war, the United States is expected to have on the seas 50,000,000 tons of merchant shipping, with a probable need for only 20,000,000 tons, barring upward revision of foreign trade requirements.

In January, 1944, the shipbuilding industry was employing 1,728,000 workers, while in the prewar period the average annual employment total was a mere 63,000.

• **Employment Drop Seen**—The research department of the Industrial Union of Marine & Shipbuilding Workers of America (C.I.O.) estimated at the union's annual convention at Atlantic City, N. J., this week that after Japan is conquered, shipyard employment will drop to 400,000 persons. Two years later, the probable figure for shipbuilders has been set at 150,000, with subsequent decline to approximately the prewar 63,000.

Of the total decline of 1,665,000, I.U.M.S.W.A. analysts estimate that 20% to 25% will be voluntary withdrawals by women and former professional and white-collar workers returning to their old jobs, and another 15% will be former construction workers returning to that industry.

These withdrawals will be offset in part by veterans reclaiming jobs left when they went into service.

• **Planning for Jobs**—The union estimates that jobs must be found for more than one million surplus shipbuilders—and this even writes off the highly problematical withdrawals. In six months of planning, the union has gone further and set as its goal jobs for the entire 1,728,000 shipbuilders, of whom more than 400,000 are claimed to be C.I.O. members.

Hewing close to the line of national C.I.O. postwar policy that full production is the only approach to full employment, the I.U.M.S.W.A. calls for a comprehensive program of reconversion, expansion, and maintenance of American shipbuilding.

• **The Union's Goal**—Specifically, it asks for:

(1) Broad expansion of foreign trade and a modern and efficient merchant marine subsidized by the government.

(2) An end to discrimination against sea freight hauls and development of the nation's waterways, inland and coastal harbors, and docks.

(3) Rehabilitation and modernization of the Navy, and its peacetime maintenance at full strength and abreast always of the latest developments in design and materials.

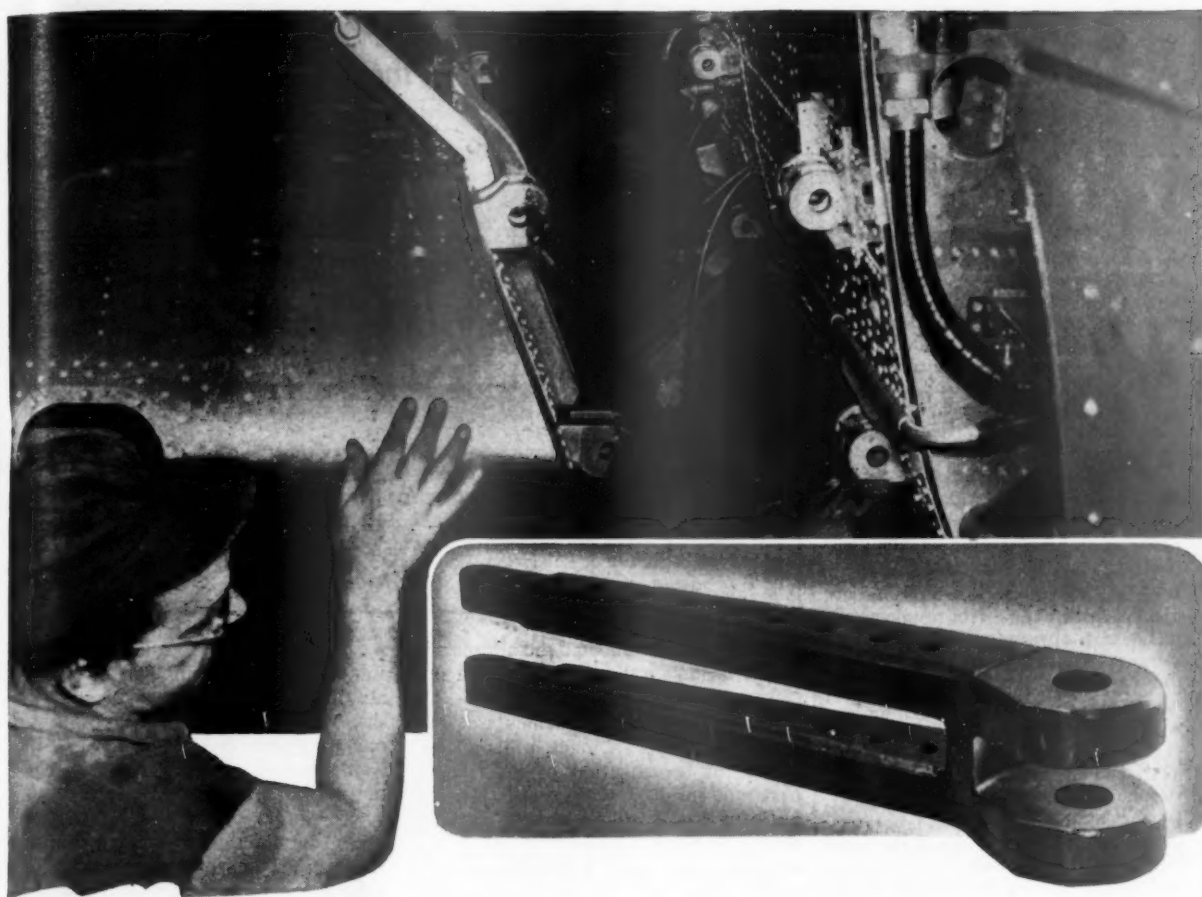
• **Concurrence Echoed**—With these broad points and subsidiary proposals advanced by the union planning committee, 750 delegates to the convention concurred unanimously.

And with them, Rear Adm. Harold L. Vickery, vice-chairman of the Maritime Commission, and Laughlin Currie, deputy administrator of the Foreign Economic Administration, appear to be in general agreement.

Vickery, in the current issue of Ships, publication of the Shipbuilders Council of America, calls for continuation of a subsidies policy as provided in the Merchant Marine Act of 1936 as an "equalization of opportunity" for American ship operators with foreign flag competition.

• **Parity, Not Subsidy**—Vickery, however, substituted the word "parity" for "subsidy," and said the parity payments are vital since American-built vessels cost 35% to 45% more than foreign-built ships; that American seamen receive 14% higher wages and get infinitely better quarters and food.

American ships traveling the same routes with identical cargoes could not compete with foreign flag vessels without some formula of equalization, he



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What's Happening to the Cost of Living

	Food	Clothing	Rent	Fuel, Ice, & Electricity	House Furnishings	Misc.	Total Cost of Living
August, 1939.....	93.5	100.3	104.3	97.5	100.6	100.4	98.6
January, 1941*.....	97.8	100.7	105.0	100.8	100.1	101.9	100.8
August.....	108.0	106.9	106.3	103.2	108.9	104.0	106.2
August, 1942.....	126.1	125.2	108.0	106.2	123.0	111.1	117.5
August, 1943.....	137.2	129.6	108.0	107.6	125.9	116.5	123.4
September.....	137.4	132.5	108.0	107.6	126.3	117.0	123.9
October.....	138.2	133.3	108.0	107.8	126.7	117.6	124.4
November.....	137.3	133.5	108.0	107.9	126.9	117.7	124.2
December.....	137.1	134.6	108.1	109.4	127.9	118.1	124.4
January, 1944.....	136.1	134.7	108.1	109.5	128.3	118.4	124.2
February.....	134.5	135.2	108.1	110.3	128.7	118.7	123.8
March.....	134.1	136.7	108.1	109.9	129.0	119.1	123.8
April.....	134.6	137.1	108.1	109.9	132.9	120.9	124.6
May.....	135.5	137.4	108.1	109.8	135.0	121.3	125.1
June.....	135.7	138.0	108.1	109.6	138.4	121.7	125.4
July.....	137.4	138.2	108.1	109.8	138.5	121.8	126.1
August.....	137.7	139.1	108.1	109.8	138.7	122.0	126.3

Data: U. S. Bureau of Labor Statistics; 1935-39 = 100.

* Base month of NWLB's "Little Steel" formula.

pointed out, adding that the alternative would be drastically cut wages and operating costs, poorer grades of ships.

Vickery added that payments of the parity allotments are made under a close system of investigation of needs, and that all ships so subsidized become units of the auxiliary reserve fleet of the U. S. Navy.

• **Framework for Expansion**—Currie told a House subcommittee on postwar economic policy and planning that lend-lease, "the biggest sampling campaign" in history, has provided the United States with the framework of broad expansion of foreign trade. He set the possible foreign trade volume at an annual \$14,000,000,000, provided freedom of trade is made possible.

This figure, while a material increase over the 1929 peak of \$9,500,000,000, did not approximate the minimum set by the I.U.M.S.W.A. as necessary to maintain present shipbuilder work levels.

The union's analysis set the annual trade must as \$20,000,000,000, carried in a modern and efficient merchant fleet of 20,000,000 to 25,000,000 deadweight tons.

• **Governing Board**—Policies at home would be guided by a tripartite body composed of government, management, and union representatives, under plans of the I.U.M.S.W.A. Regional, port, and yard subcommittees would assist.

One phase of the work set for the yard committee would be investigation of the possible use of the yard, or departments of it, for prefabrication or assembly line work, on the premise that crews which build ships can build railroad cars or farm equipment and machinery.

• **Optimism Isn't High**—Little hope exists that such a setup will materialize, although the Newport News (Va.) shipyard of World War days continued operating during the lean years afterward through prefabrication and other nonshipbuilding work.

The union leadership is inclined to agree that for the most part a shipyard is adapted to construction of ships, little else. Moreover, the nation's expanded steel plants, automobile plants, and aircraft assembly lines will have the inside track on most long-shot production possibilities of shipyards, and in addition will, in many instances, have a head start of months or a year.

• **Postwar Fleet**—For this reason, the union is banking mainly on expanded shipping and world trade. It is urging the use of new and economical passenger-cargo ships of 18,000 to 20,000 deadweight tons which can operate at 22 knots; shallow-draft tankers and freighters to make possible expansion of coastal shipping into ports not now being touched; general ocean cargo vessels (but none of the Liberty ship fleet); river and canal boats to open up inland waterway routes; and expensive, uneconomical, but vital as a national defense bulwark, large passenger liners.

Most of this fleet exists now only on paper. The passenger-cargo ship is in production. While there were many shallow-draft vessels in the prewar period, practically all were lost to Nazi submarines.

• **Urge Liberty Sale**—The union urges sale or lease of Liberty ships to foreign nations for low figures—but not at the \$15 to \$25 a deadweight ton realized on World War cargo ships—for rehabilitation work.



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. . . or on up to coarse fibers about the size of broom straws . . .



. . . and unaffected by heat, moisture, most acids . . . because they are glass.

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Scores of industries are using these fibers in hundreds of ways. Process engineers, chemists, product designers in many fields have used them to provide new, and hitherto unknown, values to their processes, equipment and products. In every case, the application was made possible because of the combination of inherent properties and characteristics to be found only in glass fibers.

Being glass, Fiberglas fibers are incombustible. They are noncellular, therefore, do not absorb moisture, will

not swell or shrink. They cannot rot or disintegrate; are chemically stable. And, surprisingly enough, glass fibers have tremendous tensile strength.

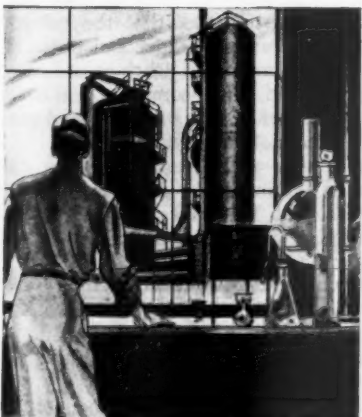
On this page are illustrated only a few of the ways in which Fiberglas fibers are being used, in basic form or combined with other materials to form a product of specific utility. Other promising developments, in the experimental stage, are going forward in many industries. This basic material and its unique properties challenge the imagination, often set off the creative spark that leads to something new and better.

For further information and a folder containing samples of "Fiberglas Basic Fibers", write *Owens-Corning Fiberglas Corporation, 1803 Nicholas Building, Toledo 1, Ohio. In Canada, Fiberglas Canada Ltd., Oshawa, Ont.*

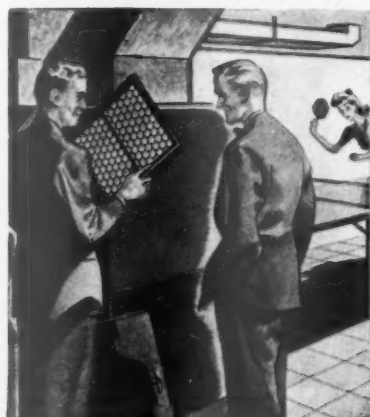
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Strategy Shifts

Lewis calls off scheduled strike votes of mine supervisors at 41 mines after 79 are seized. Operators kill injunction suit.

John L. Lewis' drive to win recognition for supervisory workers in the coal mining industry underwent a sudden shift in strategy this week that left coal operators puzzled.

As a result, the eight southern operators who decided to meet Lewis head-on in court (BW-Sep.30'44,p103) found themselves without a fight.

• **Injunction Sought**—Last week, the eight companies, members of the Southern Coal Producers Assn., asked the U. S. District Court for the District of Columbia to restrain the National Labor Relations Board from conducting any more strike elections for the white-collar branch of Lewis' United Mine Workers.

Through such elections and the legal strikes which ensued, Lewis had forced the government to seize 79 mines in Pennsylvania and West Virginia to assure their continued operation.

• **Elections Called Off**—On the eve of the injunction hearing, Lewis notified NLRB to call off the 41 elections still pending on his calendar, including those at the mines of the eight petitioning operators, thus leaving nothing to be enjoined. Accordingly the operators withdrew their injunction suit.

Why Lewis backed out of the elections isn't clear. Neither he nor John McAlpine, president of the U.M.W.

District 50 subsidiary which is organizing the mine supervisors, offered an explanation. In some quarters it was believed that Lewis plans to file new election petitions covering clerical workers in the mine offices, and possibly in behalf of other "crafts" embraced in the blanket petitions he withdrew. Better than anyone else, the operators know that Lewis rarely flinches under legal fire, even when it's aimed directly at him—and the injunction was aimed not at Lewis but at NLRB and the National War Labor Board.

Technicians Split

One victory, one defeat, is score of F.A.E.C.T. at RCA-Victor in Camden. White-collar union reports gains.

C.I.O.'s Federation of Architects, Engineers, Chemists & Technicians has won one National Labor Relations Board election among engineers and draftsmen and lost another at the Radio Corp. of America Victor division plant at Camden, N. J., and is preparing to extend its efforts in the electrical industry to other areas.

• **Twice as Big**—Reporting its membership doubled by organizing gains of the past six months, F.A.E.C.T. prior to the RCA victory had been successful in entering the Midvale Co. plant, the General Electric plant at Philadelphia, Otis Elevator Co. at Newark, and Emerson Radio, Electronic Corp., and other plants in the New York area.

During a number of the campaigns

F.A.E.C.T. successfully fought off contentions by employers, and in one instance by an A.F.L. rival, that engineers should be excluded from the C.I.O. union's collective bargaining elections.

Voting in the RCA election was in two units. F.A.E.C.T. won in one, among engineers and draftsmen in production and design, and lost in the other, comprising engineers in research and design. Covered in the first group are some 500 of the plant's 700 technical employees.

• **U.O.P.W.A. Elections**—Other white-collar campaigns of C.I.O. show similar progress.

The United Office & Professional Workers of America signed a contract with the Bankers Trust Co., New York, and announced election victories in recent weeks at the Thompsonville (Conn.) plant of Bigelow-Sanford Carpet works, the aircraft division of Curtiss-Wright at Buffalo, the Paterson (N. J.) branch of the John Hancock Insurance Co., and also among white-collar workers of the Michigan Tube Steel Co.

Plant Parsons

Industrial chaplains take hold of absentee problem and aid war workers in the solution of personal problems.

Not all chaplains are with the armed services. Some are at work on the industrial front, tackling the problem of absenteeism in war plants, and giving workers assistance in the solution of personal problems.

• **Idea Expanded**—Among the outstanding industrial chaplains is the Rev. Gustave W. Weber, who has been so successful in reducing absenteeism in the Pottstown (Pa.) plant of the Doehler Die Casting Co. that the concern has given him the additional duties of personnel manager, teacher of safety and first aid, labor counselor and court of last resort in labor matters, and general trouble-shooter for the plant.

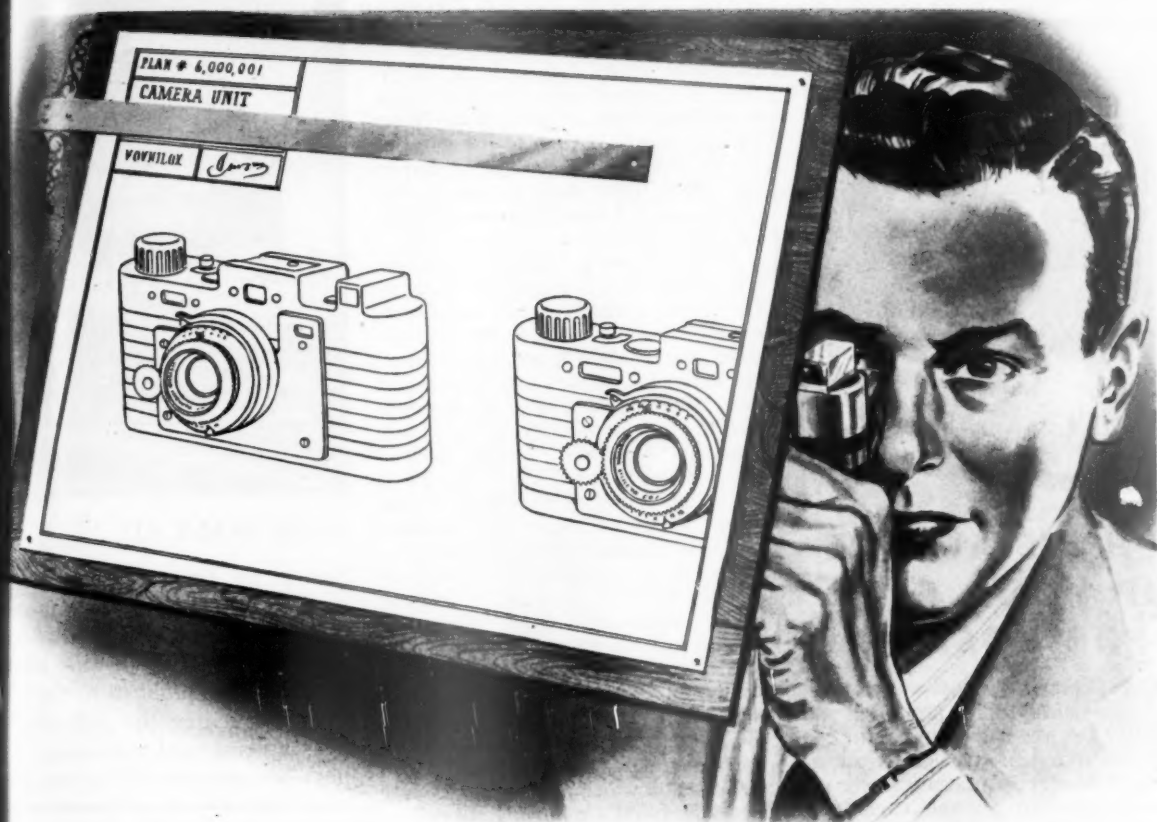
Doehler executives have also installed an industrial chaplain in their Batavia (N. Y.) plant and may extend the plan to their plants at Toledo, Ohio, and Chicago.

• **Unions Cooperate**—Twenty - one months ago, Dr. Weber, pastor of St. James' Lutheran Church in Pottstown, announced that he was planning to enter the service as a chaplain.

He was persuaded by members of his congregation—among them officials of the Doehler company—that chaplains have a duty on the home front, too. It



Reflecting his success as an industrial chaplain and trouble-shooter is the low absentee record which Rev. Dr. Gustave W. Weber (right) presents to E. Gilbert Stauffer, plant superintendent at Doehler Die Casting Co.



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Americans, luxuries have a way of becoming necessities, with astounding speed. That's possible only because of mass production. And mass production is possible only because American industry has been tireless in the development of new and better production methods and methods.

Air conditioning as a precision production tool came into its own during war. It proved its value in reducing sections, cutting costs, speeding output. Executives, planning postwar mass-produced contributions to America's growing living standard, assign

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How about that post-war product you have been rolling around in your mind? Let Ace help you plan its construction and production. Ace has a complete service offering many real advantages to anyone considering products that involve small parts and assemblies requiring stamping, machining, heat-treating, or grinding.

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was suggested that he try his hand at solving some of the industrial problems. Dr. Weber agreed, on condition that union stewards and officials agree to cooperate. They did, and the clergyman was greeted warmly at the plant.

• **Full-Time Job**—At first, the minister devoted only part time to the job, but was so successful he soon had a full-time job. More work came to him as the plant expanded from 700 workers to the present 3,200.

Without previous labor experience, but backed by his theological training, Dr. Weber studied all phases of absenteeism. He soon saw they fell into distinct classes, aside from actual illness. He found that most men were absent from work for these reasons: drunkenness, resulting in Monday and sometimes Tuesday "hangovers"; money difficulties, too much or too little; days off to see a ball game, to go fishing, or for other recreation. For the women, causes of absenteeism seemed to be: a day off to go shopping or to the hairdresser; to look after their children; family arguments; minor illness or fatigue; and the return on leave of husbands, sons, or boy friends in the services.

• **Helped on Housing**—So far, Dr. Weber has investigated and followed up, sometimes for months, more than 500 cases on which his "batting average is nearly 1.000" in solving them.

He has settled domestic difficulties and extricated men from gambling or other debts by getting them to consent to allocation of their pay to their wives, to the debtor, and to landlords, tradesmen, and the like. He has found homes or rooms for employees newly arrived in Pottstown, many of them girls from rural areas who never before had been away from home. To these, individual counsel was given on personal conduct in working with men for the first time. The clergyman advised them on recreation, financial, and romantic matters.

• **The "Day Bank"**—While Dr. Weber did not originate the plan now in use in curbing unnecessary absenteeism at Doehler, under his direction such efforts were unified in one office. It is known to the employees simply as the "day bank."

First, each worker employed for more than ten years is given a credit of four days in the "bank." For each two months in which an employee has not missed a day, he is credited with another day.

If the worker wants a day off, he takes it and one day is deducted from his "bank" credit, but he is allowed to participate in the time-and-a-half time for Saturday work and double time for Sunday, if he has worked the other days of the week.



NEON WANT AD

Sign of the times in Los Angeles the glowing appeal for help in a widow of the Monterey Gardens Restaurant. Despaired of an early solution to his waitress problem in that labor short war center, the proprietor features a permanent-type neon sign to push his constant bid for tray toters.

If an employee does not have a day in the "bank," he works on Saturday and Sunday if he wishes, at his regular rate.

• **Three Days and Out**—When an employee gets three days in "debt," he is discharged unless he has a legitimate excuse, investigated and approved by Dr. Weber. This cause for dismissal has been written into the union contract.

To save workers, particularly women, embarrassment in reporting to their individual foremen or department the intention to be absent, the chaplain's office has a separate telephone not connected with the plant's switchboard.

• **They Call Him Gus**—Dr. Weber's relationship to the workers is so friendly that despite his clerical position and company rank next to the superintendent, he is known to them simply as "Gus."

The use of an industrial chaplain and morale officer has also been credited with reducing the absentee rate at the Magma Copper Co. of Superior, Arizona to the lowest in years.

One of the problems confronted by Magma's chaplain, the Rev. Dr. William J. Hazel, was the conviction of most of the company's foreign-born employees that they were being discriminated against.

Michener Ousted

U.A.W. executive board firms expulsion of West Coast left-wing leader. New election to be held in 90 days.

If one issue divides organized labor the Pacific Coast more than any other, it is communism. This is due in large measure to the fact that John L. Lewis, when he was president of the U.I.O., found it expedient to use large numbers of left-wingers in the development of his organization on the Coast. Lewis departed, but the left-wingers remained.

Struggle Is Acute—In the C.I.O. United Auto Workers, which is the big West Coast union of the aircraft factories, the struggle for power between the left-wing and the right-wing factions has been particularly acute.

This is so partly because there is a strong right-wing local (No. 509) in Los Angeles, and partly because left-wing delegates from the Coast have supported the so-called communist faction in the affairs of the national union.

Expulsion Affirmed—Meeting this week in Atlantic City, the international executive board of the U.A.W. trumped the left-wing ace by affirming the expulsion of Lew H. Michener as regional director in Los Angeles and member of the executive board.

Expulsion, voted last month by the union's international convention in Grand Rapids, Mich. (BW—Sep. 23 '44, p. 8), was the second punitive step the U.A.W. has taken against Michener. In 1941 he was suspended for a year for his part in the North American Aviation strike (BW—Jun. 14 '41, p. 14), staged a short time before the Communists in the United States, coincident with Hitler's march on Russia, reversed their opposition to U. S. participation in the war.

Charges Aired—Again this year Michener's number came up. Largely through the urging of Local 509, the international union sent a four-man investigating committee to Los Angeles to sift charges that Michener was incompetent and that he failed to keep the regional account books properly.

The results of this investigation were laid before the convention, and Michener's expulsion followed. He was a candidate to succeed himself, but his ouster automatically deferred for 90 days the election to fill that post.

Administrators Named—In the meantime, the executive board has appointed a three-man administrative board to take Michener's place.

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Strikes Rising

Union members react with fear of dislocations resulting from reconversion by walking out in force quick action on demand.

An A.F.L.-C.I.O. jurisdictional dispute, which threatened to cripple armaments production in 300 Detroit plants employing 1,000,000 persons, and strikes in three aircraft plants in Missouri and New Jersey this week gave new weight to growing belief that the approach of V-E Day will find labor disturbances rising to new high levels.

• **Five-Year High**—Rank-and-file union membership appears to be resorting with increasing frequency to its strike weapon as the fear of reconversion dislocations assumes broad dimensions. August followed the upward strike trend of July, with Bureau of Labor Statistics figures showing a five-year high for the month—485 strikes involving 190,000 workers and causing 935,000 man-days of idleness.

In Detroit, the Maintenance & Repairhouse Workers Council of the United Automobile Workers (C.I.O.) came out an ultimatum to the National War Labor Board by striking over a wage equality issue, closing a score of months of plants immediately. Other shutdowns were expected to follow as machine men went out of adjustment without maintenance men to make repairs.

• **Investigation Shunned**—The strike came when the NWLB failed to order a fact-finding panel to investigate why the U.A.W. council described as unfair labor rates. A delegation of maintenance workers appealed for an end to the walkout to permit further conference in Washington.

The board had made it clear that as long as there was an interruption of production, merits of the council's demands would not be considered. The Detroit rank and file refused the appeal and began walking out with the first shifts Wednesday.

• **Key Workers Involved**—The maintenance workers' council claims 38,000 members including skilled and semi-skilled millwrights, steamfitters, sheet metal workers, welders, carpenters, electricians, and crane operators.

It contends that its members in the Detroit plants do not receive the same rates of pay as production employees and that in many instances A.F.L. maintenance workers hired on a contract basis receive higher wages than C.I.O. crews for identical work.

• **Reconversion Jurisdiction**—The dispute in reality goes much deeper.

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Detailed plans have been developed by NBC which, with the co-operation of business and government will result in extensive

NBC networks . . . great links gradually spreading from Eastern, Mid-Western and Western centers . . . finally forming a nation-wide television chain for the whole country in post-victory years.

Moderate-priced television receivers will supply you with sight and sound programs in keeping with the exacting standards of NBC . . . to give you the finest shows in this new field of broadcasting.

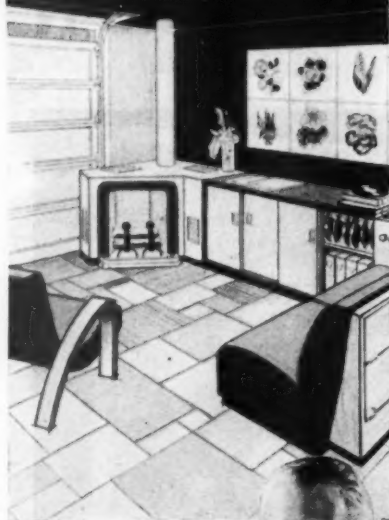
Look to NBC to lead in these new branches of broadcasting by the same wide margin that now makes it "The Network Most People Listen to Most."

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NEW ideas for your postwar home! Hobby rooms designed by nationally known architects. See them in the October issue of *Better Homes & Gardens*.



THANKS!



"We're finally discovering what our postwar home can be like, in a believable, practical way—thanks to Better Homes & Gardens."

In its October issue, *Better Homes & Gardens* continues a series of articles devoted to home design, which emphasize the importance of planning tomorrow's homes from the inside out. Full-scale, four-color models picture the new comfort and convenience obtainable thru new materials and new ways with old materials.

Some of the ideas are breathtaking but all are possible and attainable. They are but one reason for *Better Homes & Gardens* acceptance by families living everywhere as the practical guide to present and future family living.

Better Homes & Gardens

America's Family-Service Home Magazine

HEREDITH PUBLISHING COMPANY, DES MOINES 3, IOWA

boils down to whether A.F.L. contract workers or C.I.O. maintenance crews will get the important job of cleaning out war plants for reconversion and installing peacetime equipment.

The jurisdictional issue arose in NWLB itself when A.F.L. members joined in voting down the C.I.O.'s original plea for a panel to be sent to iron out the Detroit dispute.

• **Supervisors Quit**—The NWLB also was concerned with a supervisory employees' strike at Wright Aeronautical Corp. plants at Paterson and Woodridge, N. J., ordering reinstatement of all employees discharged or suspended because of a dispute. The supervisors' strike had forced into idleness 10,000 workers engaged in production of Cyclone engines for Boeing B-29 Superfortresses.

A work stoppage at the Pratt & Whitney engine plant at Kansas City was called by the International Assn. of Machinists (A.F.L.) to enforce demands for dismissal of four foremen and one acting group leader and the reinstatement without loss of seniority or pay of one probationary employee.

• **Walkout Postponed**—Although 1,395 of a total 1,794 eligible employees in seven western New York flour mills voted to strike in protest against an appeal by the companies of an NWLB directive, Stanley J. Bauer, business agent of A.F.L. Flour & Mill Workers Federal Local 21,021, said the walkout was postponed indefinitely after the NWLB scheduled a hearing on the dispute. The strike vote was taken in accordance with the procedure prescribed by the Connally-Smith War Labor Disputes Act.

Government seizure ended a dispute at the Farrell-Cheek Steel Co., Sandusky, Ohio, which the NWLB said had shut off production of castings used in tanks, landing craft, trucks, power shovels, and cranes. The seizure order directed that the Army pay retroactive wage increases to 600 employees represented by the U.A.W.

• **Store Managers Return**—Striking store managers of the National Tea Co. in Chicago and its suburbs voted to return to work pending arbitration of their union shop dispute by nongovernmental arbitrators. The strike had closed more than 300 stores for six days (BW—Sep. 30'44,p98).

Threatened shutdown of the Port Newark and Kearny (N. J.) yards of the Federal Shipbuilding & Drydock Co. was averted when 150 crane operators ended a five-day strike called to win a guaranteed 48-hour week despite weather or operating conditions, and to prevent further reduction of their work force. The group agreed to accept arbitration.



SAFETY PSYCHOLOGY

While a blind man and his seeing dog sit by, M. K. Clark, safety director of Tube Turns, Inc. (Louisville, Ky.), inspects an employee safety goggles. This power of suggestion is part of the firm's program to prevent industrial accidents. The sightless visitor, Roy Haynes, also lectures to workers in forging shop where flying scale is an eye menacer.

• **Shipyards Affected**—The Bath Iron Works Corp. yard at Boston and the Simpson yard of the Bethlehem Steel Co., also in Boston, were hit by work interruptions due to incentive bonus and supervisory wage raise disputes, respectively.

The shipyard work interruptions came as the Industrial Union of Marine & Shipbuilding Workers of America (C.I.O.) was overcoming spotty resistance and voting overwhelmingly at the Atlantic City convention to retain its no-strike pledge.

GETS OLD JOB, QUILTS

In an initial exploration of the right of a discharged veteran to get his old job back a Cleveland employer has conceded that the offer of a salary greater than that paid prior to induction does not alone meet the requirement of "like seniority and status."

Lt. Kenneth C. Robertson, a discharged cavalry officer, applied to the Detroit & Cleveland Navigation Co. for his former position of freight solicitor at which he had been paid \$185 a month. He was offered the job of clerk at \$200 a month.

Robertson insisted that he was entitled to re-employment as freight solicitor (BW—Sep.30'44,p108), and the



● The production of Stainless Steel by Rustless involves the use of many processing operations not found in ordinary steel manufacture.

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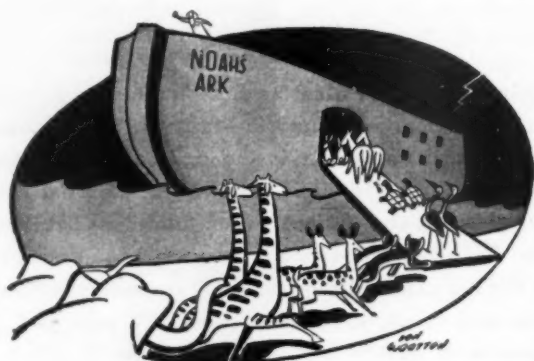


Surface Conditioning Stainless Steel Billets in the Rustless plant, from a painting by Peter Helch.

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NOAH HAD AN ORDERLY PLAN

Noah didn't line up the animals, sound a gong and make a hectic race of it. He put them up the gang plank two by two in orderly fashion. That's why he got them all on board before the flood.

That's the way our all-important postwar employment problem should be handled.

To wait until all industry is free from war work before allowing some concerns to start peacetime production would mean serious unemployment in all plants having early cancellations of their war contracts.

By giving the go ahead to those companies who are able to shift from war work to peacetime production quickly will mean a minimum of layoffs and increased employment. Don't forget that many of the needed jobs will be found outside the plants in the necessary selling, advertising, distributing and servicing activities.

We must produce goods that can be made with the least delay. And this means—the "durable" consumer products such as autos, radios, refrigerators, washing machines, vacuum cleaners, stoves, etc.—products that are now ready for the market.

New and inexperienced concerns cannot do this job. It calls for the older, experienced manufacturers who can get set quickly and put men to work with the least possible delay.

Victory in peace will depend upon jobs just as victory in war depended upon production. Dare we run the risk of "too little" and "too late"?

Geo. P. Trundle Jr.
President

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U. S. district attorney's office and the veteran's draft board intervened as arbiters. The D. & C. line decided to "make a place for him" as a solicitor, a job which likewise now carries a higher salary.

Thus victorious, Robertson announced he was going to work for a trucking company. During military training, Robertson developed arthritis after a horse fell on him. He had been pronounced 80% recovered.

NLRB DEFENDS ELECTIONS

The National Labor Relations Board is willing to go to court to protect its election machinery. The board made that clear when it secured an injunction last week restraining Servel, Inc., Evansville, Ind., from interfering with a board election.

It was the first time that NLRB resorted to this procedure. Under the Wagner act the board may secure such an injunction from the court where it has previously asked the court to enforce an unfair labor practice order against the same employer.

The election originally scheduled for Sept. 14 was stopped midway after the board was informed that the employer was threatening employees with possible reductions in pay and loss of Christmas bonuses and paid vacations. A second election was held on Sept. 28 after the Seventh U. S. Circuit Court of Appeals granted an injunction against the company. The union lost.

NLRB Chairman Harry A. Miller stated that the board was particularly anxious to protect its election machinery today because "the shift in gravity of our production will lead to the reshuffling of our working force and to the consequent need for redetermination of collective bargaining rights."

MUZZLE ON EDMUNDSON

A sword has been poised over the head of Ray Edmundson to prevent his making any future threat to John L. Lewis' dominion over the United Mine Workers.

Following the U.M.W. convention in Cincinnati last month (BW—Sep. 23 '44, p105), a meeting of the union executive board found that Edmundson's drive for local union autonomy constituted a dual movement. The union's constitution provides that any member engaging in dual unionism is subject to expulsion.

The board took no action to oust Edmundson, preferring to leave him within the union's jurisdiction where he could be more effectively disciplined if he again sought to challenge Lewis' leadership.

THE WAR AND BUSINESS ABROAD

BUSINESS WEEK

OCTOBER 7, 1944



There is still no reason whatever to take it for granted that the Allies will fail to force an end to organized German resistance by the end of this year.

The Arnhem airborne gamble failed.

Stubborn Nazi refusal to give up any important Channel port without a fight has complicated the supply task.

And miserable weather has slowed transport along the entire front, reduced bomber activity over enemy territory.

But the real test will come in the next few weeks in which a big new offensive against Hitler's Westwall can be expected. If the Allies can crack the Siegfried Line and cross the Rhine, the road to Berlin will be open.

Another Roosevelt-Churchill-Stalin conference will be held after the Nov. 7 elections. If Dewey is elected, presumably he will participate. Exact date for the meeting will depend on the progress of the drive into Germany.

Don't miss the significance of Moscow's determined moves to solve diplomatic problems in neighboring European territory according to Russia's long-term foreign policy program—even if this means unilateral action.

Washington has suddenly become concerned over these moves because of the long-term implications for China where relations between the Chiang Kai-shek government and the Russians are already strained and where Chungking can expect to recover complete control of Manchuria from the Japanese only if Russia approves.

As a result, look for Washington to play an increasingly active role in China, beginning immediately.

U. S. experts on the staff of the United Nations Relief & Rehabilitation Administration, just returned from a survey trip to Chungking, are recommending that:

(1) **Transportation** be aided so that China can distribute this year's good crops to metropolitan centers. (Fewer than 6,000 trucks are now available in all of Free China, and none of these is less than three years old.)

(2) **Drugs and medical equipment** be rushed over the Himalaya route, with enough doctors and sanitary engineers to supervise a health service.

(3) **Food processing equipment** be sent with the idea of restoring local production rather than attempting to supply packaged food from abroad.

Fifty Chinese technical experts are on their way to the U. S. for special training in handling relief problems, and arrangements are already being made with the Combined Boards to stock basic supplies for large-scale delivery as soon as the Japanese blockade is broken.

Second plan to aid China is a short-term (six to twelve months) lend-lease deal to rush medical supplies and textiles to the handful of manufacturing centers in order to combat inflation.

This will be followed by small deliveries of machines to break bottlenecks in Chinese industry which, in the case of steel, have cut production from a potential capacity of a little more than 100,000 tons to actual output of less than 10,000.

Third project now on the President's desk calls for a long-term industrialization program, outlined by Donald Nelson on his return from Chungking.

If approved, China will soon be in the market for initial orders in a

THE WAR AND BUSINESS ABROAD (Continued)

BUSINESS WEEK
OCTOBER 7, 1944

450,000 truck and automobile deal (some of them may be secondhand); and, over a period of five years or more, **3,000 locomotives and 44,000 railway cars** (some will be supplied by the Army and others may be bought as parts and assembled in China).

Most spectacular rehabilitation project due for an airing when the President reveals the details of proposed plans is one calling for a 10,000,000-kw. hydroelectric power development in the Yangtze gorges.

Modeled after the Tennessee Valley Authority, it would provide flood control and irrigation for the farmers along the river, and improved navigation from Shanghai to Chungking for commercial steamers.

Following careful study of the site, U. S. engineers estimate the installation could be made for \$100 per kw.

Though many Chinese still believe that Washington will freely hand over surplus equipment to carry out this rehabilitation program, no such scheme is being considered.

Behind the plan submitted to the President is the theory that, if China is helped to build an electric power industry and a modern transport system, it can quickly learn to produce a mass of consumer merchandise for home consumption and for sale in markets formerly supplied by Japan.

While Washington has something at stake in helping China to pay for the equipment supplied from the U. S., **there is no thought of absorbing more of the potential Chinese output than would be equivalent to the import quotas formerly assigned to Japan.**

Trend-making economic policies have cropped up in widely scattered places.

While de Gaulle has given the banking community a case of the jitters with his plans to nationalize mining and certain key industries in France, the prospect that he will extend this kind of control is minimized by his immediate need to borrow from foreign bankers fairly large sums to meet rehabilitation requirements.

In line with the trend toward development of small manufacturing industries in Latin America (page 117), **General Tire & Rubber Co.** has started to make tires in a new plant at Santiago, Chile. Capacity is 70,000 tires a year (70% of Chile's requirements). General Tire supplies the equipment, technical direction, and about 12% of the capital.

Reynolds Metal Co. has just contracted with the Mexican government to build and operate at Mexico City a half-million dollar tin foil plant, intended to cover the country's present yearly consumption.

Corning Glass Works has purchased a substantial interest in one of Brazil's leading glass manufacturing companies, though control of the Brazilian company is retained by the original owners in South America.

Nature is playing into U. S. hands in the diplomatic battle with Argentina.

A drought, which has already become so serious that it is interfering with river traffic, now threatens both the crops (just planted) and huge grazing areas. If it continues, it will be necessary for Argentina cattlemen to rush their cattle to market in unprecedented numbers.

If Washington should decree economic sanctions against Argentina—now widely expected as a postelection move—it would come at a time when the effects would very quickly be ruinous to Argentine business.

Sturdy Colombia

Republic escapes sharp economic dislocations despite reduced export of petroleum and coffee during war.

Unlike most other countries of Latin America, Colombia has escaped the most serious impacts of the war.

No Wartime Booms—Except for relatively small quantities of rubber, cinchona, and platinum, Colombia had little in the way of war materials to offer the other United Nations so no new wartime booms disturb the Colombian scene.

There have been few sharp dislocations in the economy—despite plummeting exports of petroleum and coffee. The war provided Colombia with a substantial favorable export trade balance for the first time in many years).

Prices—Colombia has shared equitably in the economic hardships of wartime but has been more successful than many of its neighbors in the administration of prices and other controls.

Although prices have risen sharply, they are under control—the official cost-of-living index for Bogota is only about 10% above the 1939 level. (Only Argentina and Uruguay, among Latin-American countries, have held prices down more effectively.)

Industrial Activity—In the absence of normal imports of manufactures, Colombia's infant industries have tried to fill the gap. Imports from the U. S.—source of more than 50% of manufactures in normal years (85% in 1941)—fell 25% below the 1938 level in 1942, but rose last year to 10% above that level.

Employment in manufacturing has risen on the order of 20% during the war years, investment in industry is up 40%, and the value of production (reflecting rising prices) has risen nearly 10%.

Exports—During the colonial period and the first years of the republic, gold constituted Colombia's chief export, along with tobacco, hides, cotton, and coffee. After the decline of gold production, tobacco became the chief export. Then cinchona bark (source of quinine) led the field—until the ascendancy of scientific cinchona cultivation in the Netherlands East Indies.

Starting in 1870, coffee exports grew in size and importance to become the country's chief product. Petroleum entered Colombian export trade in 1926 and has since ranked second or third on export lists.

Together, gold, coffee, and petroleum

constitute 90% of the value of all exports from Colombia.

• **Industrialization**—As Colombia is in an early stage of industrialization, 90% of its imports consist of manufactured and semimanufactured articles, including machinery with which to expand domestic production. The war sharply reduced this trade, and a substantial backlog of demand has accumulated. At the same time, local production of items normally imported has increased but not enough to affect postwar imports visibly.

Shortage of raw materials and skilled labor constitutes the chief obstacle to industrialization. The country has both iron and coal (of poor quality) but produces only the simplest steel products.

• **Transportation**—Transportation continues to be a leading problem—large areas rich in raw materials remain unexplored and unexploited.

Geography divides Colombia into three major economic areas. Three-

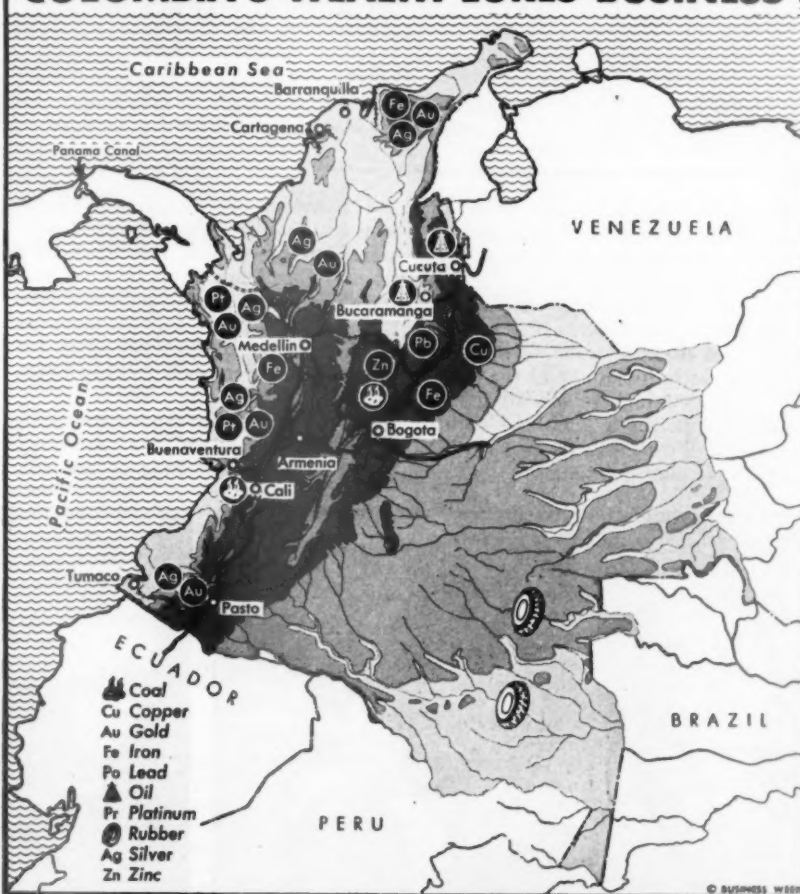
REPRINTS AVAILABLE

This is the eighth of a series of reports for postwar planners dealing with U. S.-Latin-American trade developments—and with salient economic trends in the following representative countries: Mexico, Chile, Venezuela, Argentina, Brazil, and Colombia.

With this completion of the series, the demand for extra copies of the reports will be met by reprinting them in a single booklet obtainable for 20¢ (quantity prices quoted on request).

Orders should be addressed to Willard Chevalier, Publisher, Business Week, 330 West 42nd Street, New York 18, N. Y. If checks are sent, they should be made payable to Business Week.

COLOMBIA'S WEALTH LURES BUSINESS



Colombia's tidy little economy has maintained its balance during the war better than many of its neighbors because its natural wealth is of the gar-

den, rather than strategic, variety. Many potential, or partly developed, resources are shown above, but the country's chief mineral export is oil.

Foreign Purchasing Mission Directory

Below is a list, supplied by the Foreign Economic Administration, of centralized foreign purchasing missions in the United States. Missions of other countries—such as Brazil, Chile, and Mexico—are not included because they are not exclusive trading agents for those countries. All addresses are Washington, D. C., unless otherwise noted.

Afghanistan: Afghan-American Trading Co., 226 West 26th St., New York City.

Australia: Australian War Supplies Procurement, 1700 Massachusetts Ave., N.W.

Canada: Dept. of Munitions & Supply, 907 Fifteenth St., N.W.

China: Chinese Supply Commission, 2311 Massachusetts Ave., N.W.

Czechoslovakia: J. V. Hyka, Commercial Counselor, Czechoslovakian Embassy, 2349 Massachusetts Ave., N.W.

France: Delegation of the French Committee of National Liberation Supply Council, 1523 New Hampshire Ave., N.W.

Greenland: Danish Consulate General, Greenland Section, 17 Battery Place, New York City.

Iceland: Iceland Purchasing Commission, 595 Madison Ave., New York City.

India: India Supply Mission, 635 F St., N.W.

Liberia: Walter F. Walker, Liberian Consul General, 25 Beaver St., New York City.

Middle East*: Combined Agency for Middle East Supplies, Hill Bldg., 839 Seventeenth St., N.W.

Netherlands: Netherlands Purchasing Commission, 744 Jackson Place, N.W.

Newfoundland: Newfoundland Supply Liaison, 907 Fifteenth St., N.W.

New Zealand: New Zealand Supply Mission, 908 G St., N.W.

South Africa: Union of South Africa Government Supply Mission, 905 Fifteenth St., N.W.

Southern Rhodesia: Southern Rhodesia Mission, 907 Fifteenth St., N.W.

Soviet Union: Soviet Government Purchasing Commission in the U. S. A., 3355 Sixteenth St., N.W.

Turkey: Turkish Supply Office, 2202 Massachusetts Ave., N.W.

United Kingdom: British Supply Council in North America, Willard Hotel.

* Purchasing Agency for Egypt, Palestine, Trans-Jordan, Syria, Cyprus, Sudan, Aden, Ethiopia, Eritrea, Saudi-Arabia, Iran, and Iraq.

fifths of the country to the east and south of the mountains (map, page 117) is unexplored jungle country sloping into the Amazon basin.

Along the Pacific coast from Tumaco to the Isthmus of Panama lies the hot, humid area of little agricultural value, source of chicle for export to the U. S.

In the mountain valleys stretching toward the northern plains Colombia grows cotton, corn, rice, potatoes, cane sugar, coffee, and potatoes.

The division of the country by mountains makes communication between areas difficult. Goods moving to and from the highlands travel by truck, rail, and river boat to reach the ports of Buenaventura, Tumaco, and Barranquilla. Some traffic moves by way of Cucuta across part of Venezuela to Lake Maracaibo.

• **Agriculture**—Coffee exports constitute between 50% and 60% of the country's exports trade. Bananas normally

represent about 5% of the total, although during the war fruit exports fell sharply and many plantations turned profitably to the cultivation of rice, a much-needed staple in the Colombian diet normally imported in quantities. During the last decade, rice yields have risen from 18,000 metric tons to more than 100,000 tons.

Colombia ranks behind only Argentina and Brazil as a meat-producing country (it is in the same class with Mexico and Uruguay), and special emphasis is currently being placed upon expansion of dairy farming with its important food products as a means of raising the nutritional level of the nation. As in many another Latin American country, Colombia has recognized the importance of raising levels of consumption to increase productivity of labor and to permit a longer—that is, normal—working day.

• **Petroleum**—Petroleum production in Colombia reached a peak of 25,400,000 bbl. in 1940 and declined to less than half that figure by 1942 partly because of shortages of shipping but also because developed fields were being depleted. At its peak 1940 level, Colombia had reached an output roughly parallel with Argentina, half that of Mexico, and about one-tenth that of Venezuela.

In 1943, however, a number of companies filed applications for oil concessions covering more than 11,000,000 acres and production is expected to reach new high levels as soon as development equipment can be obtained.

The American Socony-Vacuum Oil Co. has extended its concession, located new oil strata in the middle Magdalena valley, and drilled two wells from which 1,500 bbl. are being moved daily.

• **Rubber**—Small quantities of rubber have always been gathered in the in-



Through the modern port at Barranquilla (left) move mineral and agricultural exports which will provide

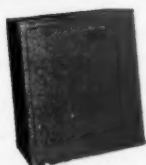


Colombia with the dollar exchange to buy such American goods as the autos which line a Bogotá street (right).

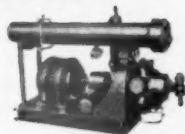
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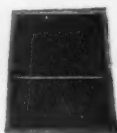
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ENGINEERED DUST CONTROL

terior of Colombia, and the loss of Far Eastern plantations quickly brought American representatives of Rubber Reserve Co. to Colombia to boost output. Their efforts have yielded favorable results, but not on the scale of Brazilian production.

Local manufacturers of rubber products have not been able to meet domestic demands, and some imports previously obtained from the United States have been, by agreement, supplied by Brazil.

A tire factory is scheduled for erection in Bogota, with B. F. Goodrich Rubber Co. supplying machinery and technical assistance and Colombian interests providing two-thirds of the projected 1,500,000-peso (about \$750,000) capital. The plant will use rubber collected locally.

• **Electric Power**—Light manufacturing developments in the principal cities of Colombia have severely taxed local electric power facilities and plans are completed for expansion of capacity. The supply of Medellin, for instance, will be approximately doubled by the construction of a 30,000-kwh. plant.

• **New Factories**—In addition to the tire factory, a paper box factory is slated for Medellin to be based on local materials.

Several small, new chemical plants have recently been registered. One, the Compania Nacional de Cloro, will be located in Bogota; another, to produce sodium sulphate, will be built in Paipa, state of Boyaca.

Colombia is also planning to produce its own movies. A small firm, Cinematograficas Colombia, S. A., with a projected capital of 500,000 pesos, has been registered and 150,000 pesos have been subscribed.

• **Airways**—Before the war, Colombia had one of the best-developed air transport networks in the hemisphere—the German-owned SCADTA line—which supplemented the difficult land facilities. The new national Avianca airways, which took over the foreign outfit, has maintained a high level of performance and extended connections to additional trade centers.

• **Shortages**—Although the approaching end of the war in Europe and increased imports from the United States have brought some dehoarding of goods, the latest reports from Bogota indicate shortages in textiles (the most sharply expanded local industry), bricks, leather, sugar, and cement (import levies have been lifted for an indefinite period to permit continuation of public works projects).

Business indexes last month were at new 1944 highs and well above September, 1943.

• **Planning**—The United States has collaborated with Colombian officials on

wartime problems and encouraged long-range planning for postwar development of the nation.

Concrete evidence of cooperative planning of this sort has already been revealed in the workings of the Anglo-American Caribbean Commission (BW—Apr. 22'44, p117), and the Puerto Rican Development Commission (BW—Apr. 12'44, p113). Colombia and Venezuela are important links in the circle of American interest which bridges the Caribbean and swings from Brazil to Mexico.

CANADA

C.C.F. in Action

Saskatchewan's premier unveils economic program for province with demand for public ownership of utilities.

OTTAWA—Canadians have been wondering how far their first provincial Cooperative Commonwealth Federation government would go in the socialization of business.

Now they are getting an idea. Youthful Premier T. C. Douglas of Saskatchewan, whose C.C.F. party plowed the old-line free enterprise parties under the Saskatchewan prairie soil in June (BW—Jun. 24'44, p116), has unveiled his economic program for the immediate future.

• **The Program**—Principal provisions of the program are:

(1) Public ownership of utilities, monopolies, and industries engaged in development of natural resources.

(2) Government sponsorship of cooperative ownership and operation of processing plants, refineries, livestock pools, farm implement, supply agencies and chain grocery outlets.

(3) Provincial assistance to municipalities in acquiring local power facilities, tramways, and bus lines.

(4) Encouragement of private enterprise where it is adapted to provincial needs.

• **What About Mines?**—The program goes further than other Canadian plans to bring natural resources industries under public ownership, and there is some doubt that it will be carried out in full.

Orthodox party governments of several provinces have taken over power companies. Quebec, considered the most politically conservative of the provinces, expropriated the Montreal Light, Heat & Power Co. and its power

development subsidiaries earlier this year (BW—Apr. 15'44, p117). But natural resources include mines and timber stands, in which there is some development by private companies in Saskatchewan. It is doubted that the C.F. government will go into mining and lumbering.

Expanded Co-ops—Most disturbing feature of the C.C.F. plan for local Saskatchewan business is the proposal to expand the system of cooperatives.

Co-ops are more entrenched and widespread in Saskatchewan than anywhere else in the Dominion, and in several lines—particularly retail outlets—are making the going tough for private business. The effect has worked back to manufacturers and wholesalers who and retailer customers going out of business. Tax exemption, federally and provincially, gives the co-ops a competitive advantage which privately owned firms cannot meet.

Profits Tax Studied—Pressure for the application of the federal business profits tax to co-ops has been heavy. The grain trade, in particular, has sought to have the wheat pools brought under it. Ottawa has flirted with the proposal, but backed away from it.

Premier Douglas has warned that where private businesses are taken over by government will not rob the owners but will not pay for watered stock or for speculative values.

Gesture to Labor—Generous concessions to organized labor, designed to favor the big unions, are made in the Saskatchewan government's program. It plans to introduce a provincial labor code which will go much further in meeting labor demands than the new federal code (BW—Jan. 29'44, p118).

The code will authorize a vote among employees for the selection of a bargaining agency when a union is able to show that it represents 25% of a plant's personnel. Under the federal code the agency is determined by a 50% vote. The plan rules out plant unions and makes the checkoff mandatory under collective agreements.

POWER CONTROLS LIFTED

OTTAWA—Lifting of wartime controls over distribution and use of electric power this week will permit some newsprint mills in Quebec and Ontario to increase their output. Expansion of operations will not come at once and will be limited for some time by shortages of manpower and pulpwood.

The newsprint industry has agreed with Canadian and U. S. control authorities to continue newsprint shipments to the U. S. through the fourth quarter at the current rate of 200,000 tons a month.

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THE MARKETS

(FINANCE SECTION—PAGE 56)

Wednesday's trading session on the New York Stock Exchange this week uncovered sufficient signs of underlying strength to revive the hopes of Wall Streeters who depend on commissions from trading in stocks for their bread and butter and who aren't sharing in the current prosperity of the new issues market (page 56).

● **Followed Dull Period**—Market strength on that day was needed very much as proceedings on the Big Board for some time have been, on the whole, pretty trendless and uninteresting, except for the brief excitement caused by the abortive "inflation-rally" that appeared early last week when traders first heard of the War Food Administration's plan to boost wheat and cotton prices to parity levels.

There have, of course, been some exceptions to the rule. Here and there can be found a few Big Board listed stocks which haven't been doing at all badly in recent weeks.

● **Aircraft Upturn**—Surprisingly enough, the star performers have been the aircraft manufacturing stocks even though as recently as a few months ago that industry was generally regarded as facing a most dubious postwar future.

Most of the stocks in this group the last few days have established new 1944 highs, with most brokers attributing the renewed interest in the group to the recent airline orders for \$90,000,000 of new equipment, plus a growing belief that their postwar output will be far greater than many now expect.

If investors now believe that the bull-

ish factors in the outlook outweigh the unfavorable potentialities in the events ahead, the bottom of the reactionary move under way since mid-July has probably already been reached. A large number of observers believe this to be the case.

● **Their View Changes**—In fact, the bulls claim to see signs now that investors are paying less attention to pessimistic predictions that steel production will drop to 50% of capacity soon after the war ends in Europe; that profit margins will narrow because of rising wages and a continuation of wage controls; and that employment, purchasing power, and commodity prices may sag sharply.

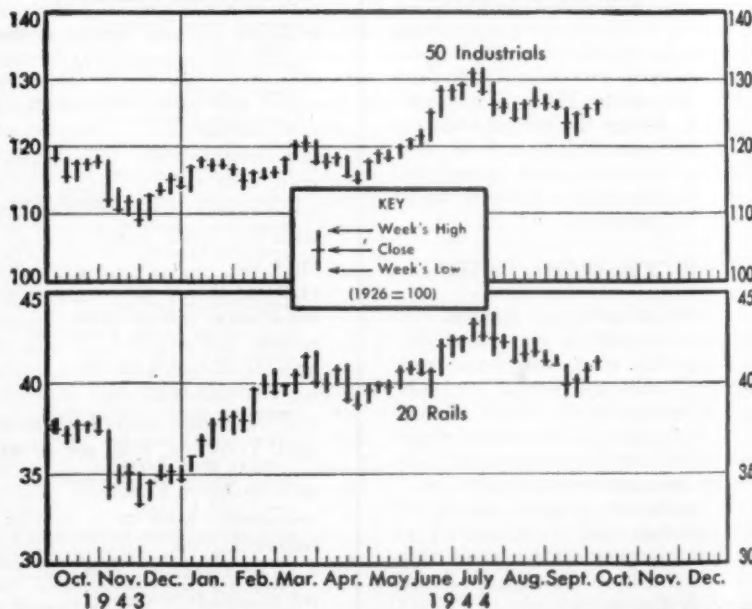
Instead, according to this group, investors are now beginning to visualize the effect on equity prices of such factors as the huge deferred consumer demand, the outlook for tax relief, the prospects for large exports, the unprecedented savings of individuals, and the ability of industry successfully to solve its reconversion problems.

Security Price Averages

	This Week	Week Ago	Month Ago	Year Ago
Stocks				
Industrial . . .	126.3	125.6	126.0	118.4
Railroad . . .	41.2	40.7	41.0	37.3
Utility . . .	55.0	54.8	55.6	51.2
Bonds				
Industrial . . .	119.7	119.8	120.9	117.2
Railroad . . .	107.8	107.3	106.9	98.0
Utility . . .	117.2	116.9	116.4	115.3

Data: Standard & Poor's Corp.

COMMON STOCKS—A WEEKLY RECORD



Data: Standard & Poor's Corp.

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THE TRADING POST

Free Customers"

The fact that the customer is the force of all business and that "free customers," ruling over an open and competitive market, will give us a free and prosperous America was emphasized by Dr. Willard H. Dow, president of the Dow Chemical Co., at the recent annual meeting of stockholders at Midland, Mich.

Here are some of his remarks pertinent to the place of the customer in business:

I want you fully to understand that your company has not really been in competitive business since well before Pearl Harbor. . . . Business in general has been taking customers for granted. That is going to come as a jolt to a lot of people and the harder the jolt, the better for the country.

The nation, and we as individuals, must realize that we can live only as we exchange products with customers, and that the customers must have something to exchange. We all exist in the dual capacity of being customers as well as hunting for other customers to exchange with.

The government has been our customer. The government only seems to be the customer. We as taxpayers and bond buyers have furnished the government directly or in part of the means to buy and indirectly, by process of finance, with the remainder of the means to buy. We have seen regulations as a necessary part of the war, in much the same fashion as a young man, when inducted, puts away his civilian clothing and gets into uniform.

There may be a shock in suddenly dropping the war controls, but not until every control is removed can we have the free, open and competitive market in which the customer rules. The longer we delay stepping forward into freedom, the greater will be the eventual shock. There is no easy way out of what we are now in. Let us meet this question squarely and as Americans and not try to pussyfoot around it. I am dwelling on the customer because he is the source of all business . . . and no one can change the elements of business.

Portal to Portal

Recent decision of a regional war labor board that employees of a Hoboken, N. J., bakery were entitled to payment for 15 minutes a day necessary for changing from street to working clothes would seem to open limitless possibilities for extension of the idea if it is upheld by the National War Labor Board in Washington. Precedent for this new decision apparently was established in the mining industry where payment was authorized for the time spent in travel from the point of operations from the mine portal.

Of course it takes some workmen longer to change clothes than it does others. It takes some miners longer to get to work after entering the mine. But these workers undoubtedly realize the impracticability of clocking each man so that each will be paid exactly in accordance with the time spent in these unproductive operations. Any such payment can be, at best, only a compromise or an average. Yet if workmen were to be told that they were to be paid for their productive activity on an average basis, the more skillful and more experienced might well complain that they were being penalized for the lack of ability of others.

Certainly, if the Hoboken ruling is upheld, the next step will be an attempt to extend it to the entire baking industry. Packing house workers already have indicated interest in getting an increase in their pay envelopes by this means. Others will fall into line and eventually we may see business asked to pay not only for the time required to change clothes and get into mine workings but for the time spent going to and from work.

Such demands might possibly lead to the necessity of employers' providing barracks adjoining factories where employees would be housed and fed so there would be a reduction in the time spent in travel and changing raiment.

What this would do to family life in America can readily be imagined, but it might be well for all—employer and employee alike—to put their imaginations to work now, because here is one cost which cannot be absorbed by the manufacturer as he endeavors to keep prices down.

The great advances in wages under the American industrial system, and the accompanying reduction in costs to the consumer, have been brought about by increased productivity of the workers due to increased investment in machines and new methods which permit greater output per worker.

There will be no limit to the possibility of wage increases, while at the same time prices to consumers are held steady or reduced, so long as industry can take advantage of the advances science and technology make possible. But time spent in travel or in changing clothes is not productive time. There is no way for alert management to absorb nonproductive costs. They can only be passed on to the consumer. It will be interesting to see what the consumers' reaction will be if the practice is extended.

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THE TREND

LATIN AMERICA—TAKE ANOTHER LOOK

The race for postwar exports markets is on.

In Washington and New York, 20 foreign governments have already opened central purchasing agencies and are shrewdly maneuvering for delivery priorities on all kinds of rehabilitation supplies (page 115).

In London, two weeks ago, the United States was accused of conniving to get an advance-guard of a vast army of salesmen into France in the guise of specialists attached to the armed forces.

And in a dozen nervous capitals—from Washington to Paris—business leaders are watching anxiously for the first signs of Moscow's plans for eastern Europe. They know that Russia is going to have a great deal to say about the economic—as well as the political—future of the fringe of countries from Finland to Turkey.

• In the midst of this hubbub, the fact that Latin America offers a potential immediate \$4,000,000,000 outlet for an unexpected variety of industrial equipment is being ignored by a good many manufacturers.

Mexico, for instance, has already received the first 15 diesel locomotives on a railroad rehabilitation order which, eventually, will amount to \$54,000,000 (BW—Sep. 30'44, p. 113).

Colombia is soon to have, among other new projects, a tire industry, installed by Goodrich.

Brazil, with \$125,000,000 iron mine and steel mill projects already under way, this week started the production of aluminum—the first country south of the Rio Grande to compete with the United States' enormously expanded light metals industry.

And Peru, long dependent on raw copper and petroleum exports for the backbone of its foreign trade, is now shopping in this country for hydroelectric equipment and specialized machinery for small steel and chemical industries.

• The war has initiated important shifts in the economies of most Latin-American countries, as *Business Week* has pointed out in a series of articles which ends in this issue (page 117).

Tempted by high prices and an assured demand for their products, practically all the lands south of the United States have boomed their production of strategic materials and piled up large stocks of dollars ready to be spent as wartime priorities are removed and ships become available for civilian trade.

At the same time, their farmers have been tempted to grow many of the products traditionally imported from the Far East, and their industries have struggled to meet the demands of a home market long supplied from Europe, Japan, or the United States.

As a consequence, buying habits in Latin America

have changed in the five years since United States salesmen freely roamed its markets.

Argentina, for example, instead of importing vast quantities of textiles, has learned to fill more of its own needs and has even exported cotton goods to South Africa.

Brazil, long dependent on coffee and cotton for the bulk of its export trade, has boosted manufactured items (mainly textiles and chemicals) from a bare 5% of the total before the war to nearly 20% now.

Chile tripled its manufactured exports during the first three years of war, boosted foreign sales of chemicals and drugs alone from \$70,000 in 1938 to more than \$300,000 in 1941.

Though some of these wartime developments in Latin America are uneconomic and will not survive normal postwar competition, certain new trends cannot be ignored by marketing executives.

• While most of these countries will continue for some time to be dominantly agricultural, the trend toward industrialization will be stimulated by their increased purchasing power, resulting from wartime favorable trade balances. This trend will be most evident in Mexico, Brazil, Argentina, and Chile, and it will call, first, for big-scale modernization of railroads, huge road building programs, and the installation of numerous, medium-sized electric power plants; later, for the development of a wide variety of consumer goods industries which, in the beginning, require little highly skilled labor.

Agricultural diversification will be encouraged by the United States through carefully supervised experimental stations and specific development programs, but plans to push natural rubber production and increased output of cinchona, for quinine, are already dwindling to insignificant proportions because they are not economical under normal competitive conditions.

Fresh strides will be made to push cultural, health and sanitation, and educational development, but progress is likely to be more gradual than during the last four years of intensified Good Neighbor activity.

• Latin America will not be this country's biggest export outlet after the war any more than it was before 1939. Canada, Britain, Russia, and a number of countries in western Europe will provide larger markets.

But with \$4,000,000,000 to spend, and with complete shopping lists already drawn, the countries south of the Rio Grande present market opportunities which need to be resurveyed with a full knowledge of the new conditions that have developed during the war.

The Editors of Business Week

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